

Report to the Governor and the General Assembly of Virginia

# Operation and Performance of the Department of Veterans Services

2015



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# **Commission Draft**

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**Joint Legislative Audit and Review Commission**  
**December 2015**

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## Summary

# Operation and Performance of the Department of Veterans Services

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## WHAT WE FOUND

### DVS is not strategically promoting awareness of its services

DVS's mission statement cites timely transition assistance as a critical aspect of effective DVS operations. Although most DVS programs engage in some form of outreach, the quality of the outreach varies substantially and depends on the knowledge, experience, and initiative of individual staff members. This approach risks unclear and incorrect messaging to veterans and other potential customers, inefficient use of staff time, and veterans not being informed of valuable services that could benefit them.

### Benefits assistance program has recently built a strong foundation upon which to continue improvement

Until recently, the benefits assistance program was poorly managed and under-resourced. Minimal training and oversight led to wide disparities in service quality among offices. Recent hiring of additional staff and staff training are among a variety of needed improvements made during the past year. The program recently began collecting client feedback, which has thus far has been positive.

The program can continue to build on these recent improvements. For example, some benefits offices could increase their use of a VA process that enables faster claims adjudication. There are also anecdotal reports of veterans facing long waits (or even being turned away) at certain higher workload benefits offices. Because the program does not track and monitor wait times, though, the magnitude of this problem is unknown.

### VVFS program lacks clear role and directs staff to perform work they may not be sufficiently qualified to perform

The Virginia Veteran and Family Support (VVFS) program, which the General Assembly created to play a critical role in monitoring and coordinating mental health

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#### WHY WE DID THIS STUDY

In 2015 the General Assembly directed JLARC to review the Virginia Department of Veterans Services (DVS). The General Assembly's mandate directed a broad review of the changing demographics and needs of Virginia's veterans and the efficiency and effectiveness of DVS programs.

#### ABOUT VIRGINIA'S DEPARTMENT OF VETERANS SERVICES

DVS provides a variety of services to Virginia's veterans. In addition to implementing several state programs for veterans, DVS is also responsible for connecting veterans to programs administered by other providers. DVS is the only agency in the Veterans and Defense Affairs secretariat and is governed by three different boards. The majority of DVS funding and staffing are devoted to running two veterans care centers. The centers are primarily operated using non-general funds. Most of the remaining DVS programs use primarily state general funds. These programs include benefits assistance and the Virginia Veteran and Family Support program.

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and rehabilitative services for veterans, faces a series of major program challenges. Effectively administering the VVFS program is imperative given the growing need for services among veterans—especially among post 9/11 veterans, many of whom return home struggling with post-traumatic stress disorder, traumatic brain injury, or major depression. Left unresolved, these challenges could lead to veterans not being correctly assessed or directed to inappropriate or low quality services.

The VVFS program is currently operating with a high degree of uncertainty about whether it is achieving its statutory objectives and how it should most effectively achieve these objectives. The program lacks the full range of useful performance measures, without which the effectiveness of the program is unknown. Additionally, staff have not received clear direction about how to do their jobs.

VVFS staff are providing some services they may not be qualified to perform. It is well established that case management for individuals with complex mental health conditions should only be provided by qualified case managers. There is some risk that individuals with mental health conditions who are served by unqualified or inadequately trained case managers will not be directed to the appropriate mental health services. There is evidence that current VVFS staff do provide case management services, although they may not be qualified to provide case management services under state regulations.

The challenges facing this program appear to be longstanding issues. The lack of clarity about the program's role, staff expectations and qualifications, and gaps in policy guidance and key partnerships present some degree of risk to the health and safety of veterans receiving services and others.

## **WHAT WE RECOMMEND**

### **Legislative action**

- Direct DVS to monitor how long veterans wait at benefits assistance offices and how many veterans are turned away due to high workload, then use the information to balance staff workload across offices.
- Direct DBHDS to determine whether VVFS needs to comply with state case management standards and licensing requirements.

### **Governor action**

- Convene a working group to develop a plan for the VVFS program to fulfill its statutory mandate.

### **Agency action**

- Develop a detailed communications plan detailing specific strategies to ensure veterans are aware of DVS services.
- Develop sufficient policy guidance for VVFS staff to effectively implement the program.

The complete list of recommendations is available on page v.





## **Recommendations**

### **Operation and Performance of the Department of Veterans Services**

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#### **RECOMMENDATION 1**

The Department of Veterans Services should develop and use performance measures for all programs. Performance measures should reflect the relationship between inputs, outputs, and outcomes to allow assessment of program efficiency and effectiveness (Chapter 3, page 22).

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#### **RECOMMENDATION 2**

The Department of Veterans Services should use the Department of Human Resource Management's time allocation system, require staff to use the system to report time spent and activities performed each day, and use reported staff time information to assess allocation of staff time and redirect as appropriate to efficiently and effectively meet program goals (Chapter 3, page 23).

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#### **RECOMMENDATION 3**

The Department of Veterans Services should (i) provide staff with accurate descriptions of each program and detailed protocols for directing veterans to other programs, and (ii) ensure staff use these descriptions and protocols to correctly refer veterans to other DVS programs when necessary (Chapter 3, page 24).

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#### **RECOMMENDATION 4**

The Department of Veterans Services should develop a detailed communications plan that details how DVS will (i) identify specific populations of veterans who are likely to be unaware of its services, (ii) develop strategies to reach these populations, (iii) implement these communications strategies, and (iv) evaluate the success of the communication strategies (Chapter 3, page 27).

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#### **RECOMMENDATION 5**

The Department of Veterans Services should eliminate the Virginia Transition Assistance Program and incorporate strategies to engage the population of transitioning service members through the agency's broader communications strategy (Chapter 3, page 28).

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#### **RECOMMENDATION 6**

DVS should monitor turnover rates among benefits assistance staff and use the information to identify strategies to retain staff. Monitoring should include (i) the number and percent of staff who leave, (ii) the reasons for departure, and (iii) the percentage of staff who have fewer than three years of experience assisting veterans with benefits claims processing (Chapter 4, page 32).

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#### **RECOMMENDATION 7**

The Department of Veterans Services should collect and monitor benefits assistance program customer feedback to assess, at a minimum, the extent each customer was (i) satisfied with the service they received, and (ii) made aware of additional federal or state benefits during their meetings with benefits assistance staff. The Department should systematically use this customer feedback to identify opportunities to improve staff performance (Chapter 4, page 34).

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#### **RECOMMENDATION 8**

The Department of Veterans Services should monitor approval rates across staff and offices. The Department should (i) use this information to assess variation across staff and offices, (ii) evaluate whether staff and offices with lower approval rates could benefit from additional training, and (iii) provide such training as needed (Chapter 4, page 35).

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#### **RECOMMENDATION 9**

The Department of Veterans Services should establish agency goals for the percentage of claims that should be submitted as Fully Developed Claims. The Department should determine the reason why some offices are submitting fewer Fully Developed Claims than others and implement changes as needed to increase the percentage (Chapter 4, page 36).

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#### **RECOMMENDATION 10**

The General Assembly may wish to consider including language in the Appropriations Act directing the Department of Veterans Services to monitor (i) the wait times of veterans who receive services through the benefits assistance program, (ii) the number of veterans who arrived at a benefits office and left without receiving assistance, and (iii) the wait times for an appointment at each office. The Department should report this information to the Board of Veterans Services and the Joint Leadership Council of Veterans Service Organizations. The Department should also use this information to inform resource allocation decisions and to balance staff workloads across offices (Chapter 4, page 39).

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#### **RECOMMENDATION 11**

The General Assembly may wish to consider including language in the Appropriation Act to direct the Department of Behavioral Health and Developmental Services to determine whether and to what extent the Virginia Veteran and Family Support program should comply with state case management regulations and licensing requirements and its staff be subject to minimum qualification requirements (Chapter 5, page 46).

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#### **RECOMMENDATION 12**

The Department of Veterans Services should develop policy guidance and require Virginia Veteran and Family Support program staff to use the policy guidance to effectively implement program goals and activities (Chapter 5, page 48).

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### **RECOMMENDATION 13**

The Department of Veterans Services should collaborate with the Department of Behavioral Health and Developmental Services, Department for Aging and Rehabilitative Services, Community Services Boards, and other organizations as appropriate to develop and execute clearly defined partnerships to ensure veterans are properly referred to the organization best suited to provide the service they need (Chapter 5, page 49).

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### **RECOMMENDATION 14**

The Governor should convene a working group to develop a plan detailing how the Virginia Veteran and Family Services program will best fulfill its statutory mandate to monitor and coordinate mental health and rehabilitative services for veterans. The working group should be chaired by the Secretary of Veterans and Defense Affairs and include the Secretary of Health and Human Resources. The Department of Veterans Services, Department of Behavioral Health and Developmental Services, Department of Aging and Rehabilitation, as well as other appropriate agencies and external consultants, as necessary, should be working group participants. The plan should be submitted to the House Appropriations and Senate Finance Committees no later than November 1, 2016 (Chapter 5, page 50).

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### **RECOMMENDATION 15**

The General Assembly may wish to consider including language in the Appropriation Act to direct the Department of Veterans Services to develop and submit a plan to make the V3 program more effective and scalable, and less time consuming. The plan should also identify (i) the measures that will be used to assess the program's impact on employer knowledge and hiring decisions and (ii) the specific value that the program provides over existing resources that are available to all companies online. The plan should be submitted to the House Appropriations and Senate Finance committees no later than November 1, 2016 (Chapter 6, page 58).

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# 1 The Virginia Department of Veterans Services

**SUMMARY** The Virginia Department of Veterans Services (DVS) provides a variety of services to veterans, family members of veterans, and others. Most veterans interact with DVS through its benefits assistance program, which helps veterans file for state and federal benefits. Approximately three-fourths of total DVS spending and staffing is attributable to DVS's veterans care centers, which are primarily paid for through non-general funds, such as Medicare and fee-for-service payments. The majority of state general funds pay for the benefits assistance program and the Virginia Veteran and Family Support program. Although not required by the federal government to perform any of these duties, Virginia, like many other states, has elected to provide veteran-specific services. DVS is one of many state, federal, local, and non-profit organizations that provide services to Virginia's veterans.

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In 2015 the General Assembly directed JLARC to review the Virginia Department of Veterans Services (DVS). The General Assembly's mandate enumerated nine specific items for review, including the adequacy of services provided through DVS's benefits assistance program and program to coordinate and monitor veterans mental health and rehabilitative services. The mandate also directed a broad review of the changing demographics and needs of Virginia's veterans and the efficiency and effectiveness of DVS programs (Appendix A).

JLARC staff used several research methods to address the study mandate, including interviews with DVS and other state agency staff; interviews with representatives of Virginia veterans organizations, national experts, and staff at DVS-equivalent departments in other states; analysis of DVS and national data; site visits to DVS service locations; and reviews of research literature on veterans issues. (See Appendix B for more detail on research methods used for this study.)

## **DVS was created in 2003 to provide a variety of services to Virginia's veterans**

DVS was established by statute in 2003, following the recommendations from the Governor's Advisory Commission on Veterans Affairs to centralize veterans services (§ 2.2-2000 of the Code of Virginia). Prior to the creation of DVS, the agency was known as the Virginia Department of Veterans Affairs and operated 15 benefits assistance offices and the veterans cemetery at Amelia, while other current DVS programs operated independently or were part of other state agencies.

DVS provides a variety of services to Virginia's veterans. In addition to implementing several state programs for veterans, DVS is responsible for connecting veterans

**FIGURE 1-1**  
DVS administers a variety of programs that assist veterans



Source: JLARC staff analysis.

to programs administered by other providers (Figure 1-1). The number and type of clients served by each DVS program varied in fiscal year (FY) 2015 (Table 1-1).

DVS's oldest program is its benefits assistance program, which helps veterans understand and apply for state and federal benefits. The state provides this service to ensure veterans in Virginia can navigate the complex process of applying for benefits, particularly through the U.S. Department of Veterans Affairs (the VA).

Most DVS programs serve a broader population of veterans than the federal government. Generally, an individual is only considered a “veteran” under federal statute if he or she served in the armed forces of the United States and was honorably discharged or released under honorable conditions from active duty. This definition excludes members of the Reserves and the National Guard who were not called to active duty or did not complete their term of service. The federal statutory definition of veteran does not affect whom DVS is able to serve in most of its programs. Only DVS care centers and cemeteries adhere to federal eligibility standards because they are required to do so to receive federal funding. Programs like the Virginia Veteran and Family Support and the Virginia Transition Assistance Program serve veterans regardless of their discharge status, whether they served in active duty, or whether they served as a member of the Reserves or National Guard. (Appendix C includes more detail on eligibility for DVS programs.)

**TABLE 1-1**  
**Number and types of clients served by DVS programs varies substantially**

<b>DVS program</b>	<b>Number of clients (FY 2015)</b>	<b>Description of clients</b>
Benefits Assistance	36,516 <sup>a</sup>	Veterans, spouses, or dependents
Virginia Veteran and Family Support	2,551	Veterans or family members of veterans served
Veterans Cemeteries	1,592	Veterans, spouses, or dependents interred
VMSDEP	1,143 <sup>b</sup>	Spouses or dependents of veterans
State Approving Agency	1,060 <sup>c</sup>	Institutions, businesses, and industries providing post-secondary education and training programs
Veterans Care Centers	681	Veterans
V3	307 <sup>d</sup>	Participating employers

Source: JLARC staff analysis of DVS client data.

Note: Numbers cannot be totaled across programs because they are not unduplicated. The Virginia War Memorial reported 70,825 visitors and program participants. VTAP is not shown because it does not maintain reliable counts of clients served (see Chapter 3).

<sup>a</sup>The number of unique clients represents a minimum due to data limitations.

<sup>b</sup>VMSDEP-eligible recipients during academic year 2014-2015.

<sup>c</sup>Institutions approved by SAA during federal fiscal year 2014; numbers served in FY 2015 were unavailable for this study.

<sup>d</sup>Employers that have participated since creation of the V3 program in 2012, as of June, 2015.

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The following two **DVS certification programs** were not included in the scope of this review. (See Appendix D for more information on these programs).

The **State Approving Agency (SAA)** certifies eligibility of educational institutions to receive GI Bill benefits.

**Virginia Military Survivors and Dependents Education Program (VMSDEP)** certifies the eligibility of spouses and dependents of veterans to receive tuition waivers at Virginia public educational institutions.

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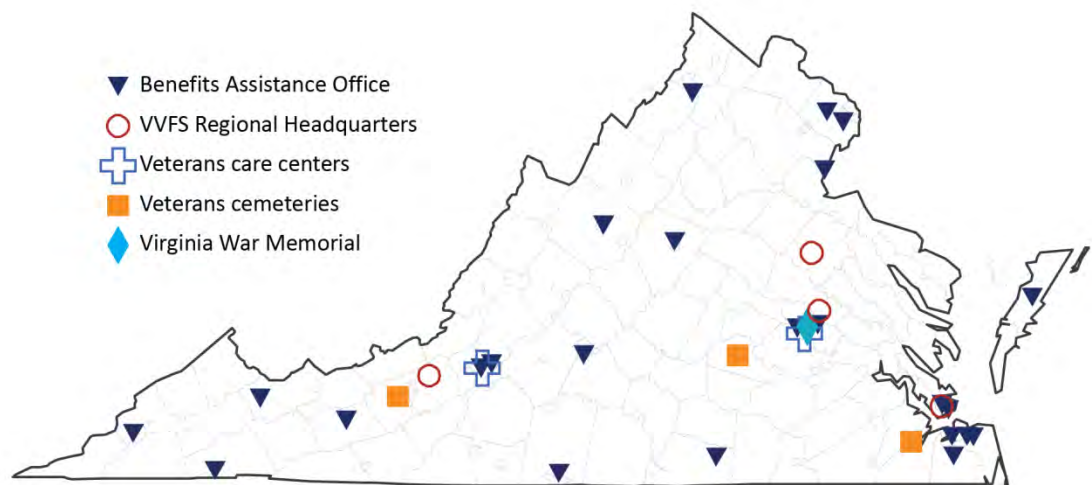
## Number of DVS services has grown substantially since 2003

Since 2003, the number and diversity of services provided by DVS staff has increased substantially. DVS added locations for existing services, expanded its scope by implementing new services, and began implementing services transferred from other state agencies. As of September 2015, DVS has added 10 benefits offices, two cemeteries, and one care center. It expanded to include V3 (employment and training programs), the Virginia Veteran and Family Support (VVFS) program (mental health and rehabilitative coordination and monitoring services), and the Virginia Transition Assistance Program (help with transition from military to civilian employment or education). Additionally, it is now responsible for the Virginia War Memorial.

Partly because of program growth in recent years, DVS service locations are widely distributed across Virginia (Figure 1-2). Most DVS staff are located in the Richmond area, but DVS has at least one staff member in 28 of the 134 cities and counties in Virginia, including the staff of the two care centers and three cemeteries.

**FIGURE 1-2**

**DVS programs, especially the benefits assistance program, are geographically distributed across the state**



Source: JLARC analysis of DVS location information.

Note: VTAP, V3, SAA, and VMSDEP programs are administered by staff located at DVS headquarters in Richmond.



## DVS reports to the Secretary of Veterans and Defense Affairs and is governed by multiple boards

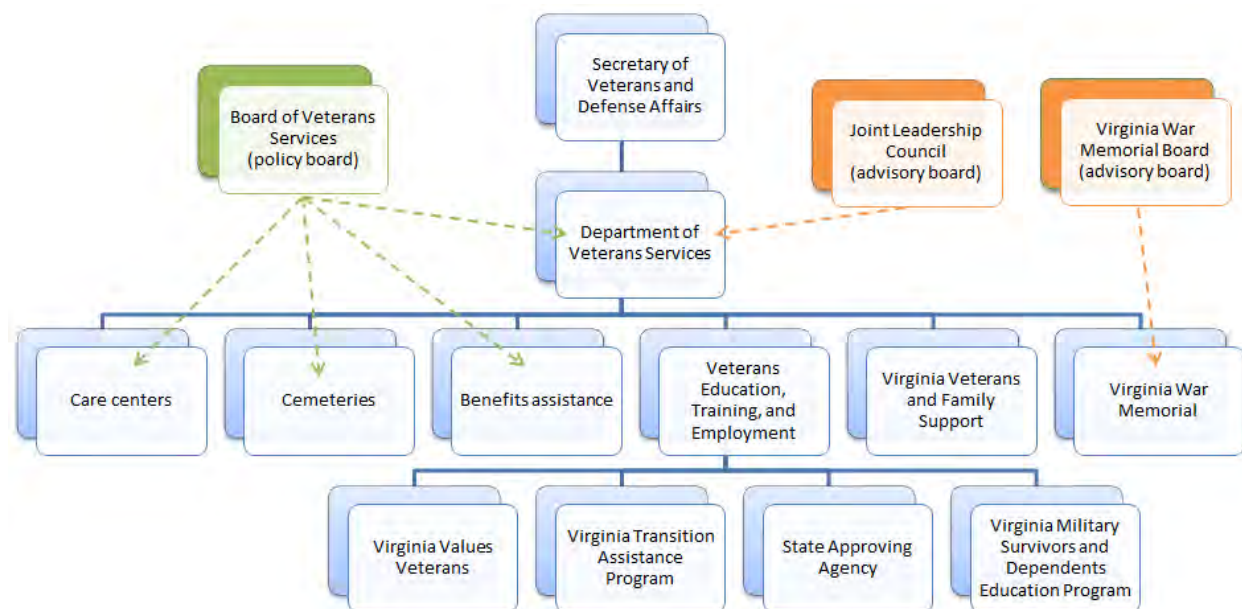
DVS has been part of three different secretariats since 2003: Administration, Public Safety, and Veterans and Defense Affairs, its current location. DVS is the only state agency under the Secretary of Veterans and Defense Affairs, who also serves as a liaison between the governor and military installations in Virginia.

DVS receives policy direction and advice from three boards: the Board of Veterans Services, the Joint Leadership Council of Veterans Service Organizations, and the Virginia War Memorial Board (Figure 1-3).

The Board of Veterans Services is a policy board (as defined through § 2.2-2100 of the Code of Virginia) and is responsible for setting policies and regulations for DVS. This board has three committees that review major topics and concerns related to individual DVS programs: cemeteries, care centers, and benefits assistance.

The Joint Leadership Council serves as the formal liaison between DVS and the veterans service organizations in Virginia, such as the American Legion and the Veterans of Foreign Wars. It also serves as an advisory board to the governor and General Assembly, and was created to present a unified voice of veterans' concerns in Virginia. The Virginia War Memorial Board advises and supports DVS in the operations of the memorial.

**FIGURE 1-3**  
**DVS receives policy direction and advice from three boards**



Source: JLARC staff analysis of the Code of Virginia.

## Care centers use non-general funds, and other DVS programs use general funds

DVS relies on a variety of funding sources, but primarily federal grants, fee-for-service payments, and state general funds. Approximately half of DVS's budget is funded through private fee-for-service payments for its care centers and cemeteries, while a quarter of its budget is funded through federal dollars, such as burial plot allowances and Medicaid and Medicare funding. State general funding constituted about 23 percent of DVS's budget in FY 2016. Through its Veterans Services Foundation and Virginia War Memorial Educational Foundation, DVS also receives private donations to support its operations.

Nearly three quarters of DVS's total appropriation is for its two care centers. The benefits assistance program accounts for 10 percent of the DVS budget, while the remaining programs constitute the remainder of the appropriations (Table 1-2).

DVS programs vary substantially in their reliance on general funds. For example, while the operations of the care centers are funded entirely by private dollars (fee-for-service) and federal dollars, state general funds constitute 98 percent of total appropriations for the benefits assistance program for FY 2016.

TABLE 1-2

Most DVS funding is from non-general funds, but most programs use general funds

DVS program	Appropriations (\$M, FY 2016)			% of total DVS appropriation	General funds as % of total program appropriation
	General fund	Non-general fund	Total		
Veterans Care Centers	--	\$43.9	\$43.9	72%	0%
Benefits Assistance	\$6.2	0.1	6.3	10	98
Virginia Veteran and Family Support	2.8	1.0	3.7	6	74
Veterans Cemeteries	1.1	0.7	1.8	3	59
V3 and VTAP	1.6	0.2	1.8	3	89
Virginia War Memorial <sup>a</sup>	0.9	--	0.9	2	100
State Approving Agency	--	0.8	0.8	1	0
VMSDEP	0.1	--	0.1	1	100
DVS Headquarters	1.4	0.4	1.8	3	76
<b>Total DVS</b>	<b>\$14.0</b>	<b>\$47.1</b>	<b>\$61.1</b>	<b>100%</b>	<b>23%</b>

Source: 2015 Appropriation Act.

Note: Numbers may not add due to rounding.

<sup>a</sup>The Virginia War Memorial also receives financial support for its educational programs through its foundation. These funds were not appropriated by the General Assembly in FY 2016.

In recent years, the General Assembly has increased state general funding for DVS. State general funding in FY 2016 is up \$3.7 million (36 percent) since FY 2014. The new funding has been allocated for additional positions, locations, and renovations for the benefits assistance program, new positions for the VVFS program, and a new grant to employers participating in the V3 program.

During the 2015 General Assembly session, legislators and the governor allocated \$66.7 million in Virginia Public Building Authority bonds to finance the construction of two new veterans care centers—one in Hampton Roads and one in Northern Virginia. DVS is authorized to use this capital funding regardless of whether the state receives a two-thirds match from the federal government, as has occurred with the current veterans care centers. As of December 2015, specific locations have not been decided, but DVS expects to break ground by Fall 2017.

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#### Locations for new veterans care centers

Hampton Roads and Northern Virginia were identified as reasonable locations for new veterans care centers in a study conducted for DVS by the Schroeder Center for Healthcare Policy at the College of William and Mary and First Chesapeake Group (2007).

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## DVS employs 673 staff, most of whom work at the state's two care centers

DVS employs 673 full-time equivalent staff and most are located at various DVS locations throughout the state. Of all DVS staff, about 80 percent work for the two state veterans care centers located in Roanoke and Richmond. Almost three-fourths of the remaining 143 DVS staff are distributed across 25 benefits assistance office locations and at the states' three veterans cemeteries (Table 1-3).

The VVFS program funds 35 staff who are employed by and located at local community services boards. These staff are not technically DVS staff but take operational direction from VVFS leadership.

**TABLE 1-3**  
**Most DVS staff work at the state's two veterans care centers**

DVS program	Full-time equivalent staff (October 2015)			% of total DVS staff	% of total general-funded staff
	General fund	Non-general fund	Total		
Veterans Care Centers	--	530	530	79%	--
Benefits Assistance	78	0	78	12	63%
Veterans Cemeteries	15	9	24	4	12
Virginia Veteran and Family Support <sup>a</sup>	9	1	10	1	7
Virginia War Memorial	5	0	5	1	4
State Approving Agency	0	8	8	1	--
V3 and VTAP	3	0	3	0	2
VMSDEP	1	0	1	0	1
DVS Headquarters	13	1	14	2	10
<b>Total DVS</b>	<b>124</b>	<b>549</b>	<b>673</b>		

Source: DVS staffing data.

<sup>a</sup>Staffing numbers do not include 35 VVFS program staff employed by local community services boards but funded by DVS.

## Most states provide veterans services

Virginia's DVS is not unique in its structure or the types of veteran-specific services that it provides. In fact, 49 out of 50 states have a DVS-equivalent department that serves veterans. Similarly, nearly all states offer assistance with claims for federal benefits (Table 1-4).

Virginia has discretion on the services that it provides to veterans. Most services provided by the state are designed to help veterans access federal resources and, without them, fewer veterans would be able to access these resources. For example, the State Approving Agency (SAA) certifies institutions in Virginia to receive GI Bill benefits. Veterans can only use GI Bill benefits at SAA-certified institutions, and the state certifies institutions so that veterans who are interested in using these benefits may do so. Similarly, the state is not required to provide benefits assistance to veterans in the state, but, like other states, Virginia provides this service because without it, fewer veterans may have access to disability, compensation, and other VA benefits.

**TABLE 1-4**

**Many other states offer the same types of programs as Virginia**

<b>Program/division</b>	<b>Number of other states with similar program</b>
DVS-equivalent departments/offices	48
State veterans care centers	49
Benefits assistance	46
State Approving Agency	49
State veterans cemeteries	43
Virginia Veteran and Family Support	At least 14
Virginia Values Veterans	At least 3

Source: JLARC staff analysis of other states' websites and interviews with staff from other states; the National Association of State Veterans Homes; the VA's *Timeliness of Marking Graves in State VA Cemeteries*; and VA data on federally funded cemeteries.

Note: VMSDEP is excluded because its purpose is to certify eligibility for a Virginia-specific educational benefit. VTAP and Virginia War Memorial were excluded because states classify transition assistance and war memorials differently.

## DVS is one of many organizations that serve Virginia's veterans

The federal government plays the primary role in the provision of services to veterans. The VA has a large presence in Virginia and is located at 30 military installations, 17 community-based outpatient clinics, five veteran centers, three medical centers, and 15 veterans cemeteries. Other federal entities, such as the U.S. Department of Housing and Urban Development, operate major programs in Virginia that address veteran-specific needs.

Although DVS is the only state agency specifically charged with serving veterans, it is not the sole state entity seeking to address the needs of veterans. At least 18 other state agencies provide services specifically for veterans, including the Virginia Employment Commission (VEC), which administers two veteran-specific employment programs, and the Virginia Department of Motor Vehicles (DMV), which issues special identification cards to veterans. (Appendix E lists the state agencies that provide services specifically for veterans.)

Programs are also provided to veterans through veterans service organizations, non-profits, and local governments. Veterans organizations, including the American Legion and Veterans of Foreign Wars, are among the most active non-profits in the veteran community and provide information and services to veterans in Virginia, such as assistance with filing benefit claims and finding employment. Behavioral health services are also a locally provided service for veterans and are offered at Virginia's 41 community services boards.



## 2 Veteran Population and Needs in Virginia

**SUMMARY** Approximately one in 10 adults living in Virginia is a veteran, and this number is expected to grow modestly over the next 20 years. Additionally, post-9/11 veterans constitute an increasing share of the total veteran population and differ from previous generations of veterans in several ways. Although many veterans will not need state services after separating from the military, some will, and these needs are likely as varied as the veteran population is diverse. The needs of veterans are generally similar to the needs of non-veterans with some key exceptions. For example, veterans experience higher rates of mental health conditions, such as post-traumatic stress disorder and depression, compared to the non-veteran population. Veterans also qualify for more services than the typical non-veteran, which can make navigating these services complex.

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The General Assembly's mandate for this study directed JLARC to examine the changing demographics of Virginia's veterans with a particular focus on the post-9/11 veteran population. As of 2013, approximately 780,000 veterans lived in the state, and 11.9 percent of all Virginia adult residents were veterans. If spouses, children, and other family members of veterans are taken into consideration, the number of individuals who are closely connected to a veteran is even greater. Compared to other states, Virginia ranks fourth in number of veterans per capita and has the third largest post-9/11 veteran population in the U.S.

### **Virginia's veterans are diverse and increasingly constitute post-9/11 veterans**

Because of the size and diversity of the veteran population, there is no "typical veteran." Differences in age, socioeconomic status, and personal experiences before, during, and after military service further contribute to this diversity. In future years, the post-9/11 veteran cohort will become more prominent. This growth underscores the need for the Department of Veterans Services to ensure its programs, particularly the benefits assistance and Virginia Veteran and Family Support programs, are effectively designed and implemented to meet their intended objectives.

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#### **Post-9/11 and pre-9/11 veterans**

Veterans who served in the military after September 11, 2001 are considered post-9/11 veterans. Many of these veterans also served during earlier conflicts. Pre-9/11 veterans are those who served only in conflicts prior to September 11, 2001, which includes Gulf War and Vietnam eras.

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### **Nearly half of Virginia's 780,000 veterans live in 10 counties and cities**

Veterans live in every region of Virginia, but nearly half live in 10 Virginia localities. These veterans live in the state's major population centers of eastern, northern, and central Virginia (Figure 2-1). Four cities have the highest concentration of veterans when compared to the total civilian population: Hampton, Chesapeake, Virginia

### Counting Virginia's veterans

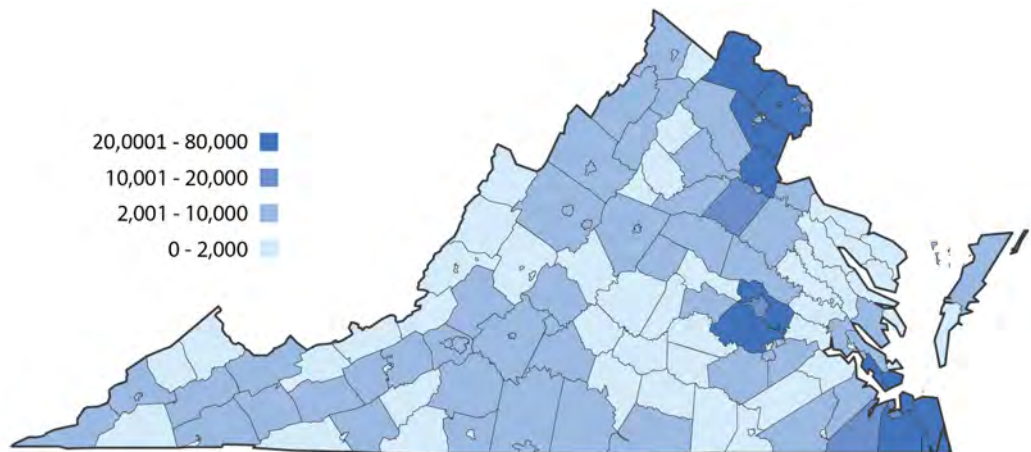
It is difficult to estimate the number of veterans living in Virginia for several reasons. Multiple federal government departments collect military records, but records are sometimes incomplete or duplicative. Additionally, once service members exit the military, there is no accurate way to track where they choose to live, which may be in a different state. Finally, not all veterans self-identify as veterans, and according to federal definitions, only certain National Guard and Reserves members are considered veterans. In light of these challenges, it is generally accepted that the VA has the most reputable population data, but numbers remain estimates and are based on an actuarial projection model.

Beach, and Norfolk. (See Appendix J, online only, for veteran population by county and city.)

Federal VA projections suggest that the number of veterans in Virginia will increase modestly (1.6 percent) between 2013 and 2023, and then decline, for an overall growth rate of 0.2 percent through 2033. Although this growth is minimal, all other states (with the exception of Wyoming) are expected to experience a decline in their total veteran population over the next 10 years. Virginia may be an exception to this trend due to the large number of military installations located in the state. Data projections cannot account for future military conflicts and subsequent impact on veterans.

**FIGURE 2-1**

**Most Virginia veterans live in eastern, northern, and central Virginia (2013)**



Source: JLARC staff analysis of population data from the U.S. Department of Veterans Affairs' National Center for Veterans Analysis and Statistics, 2013, and U.S. Census Bureau population data, 2013.

### Post-9/11 veterans will comprise a growing percentage of veterans

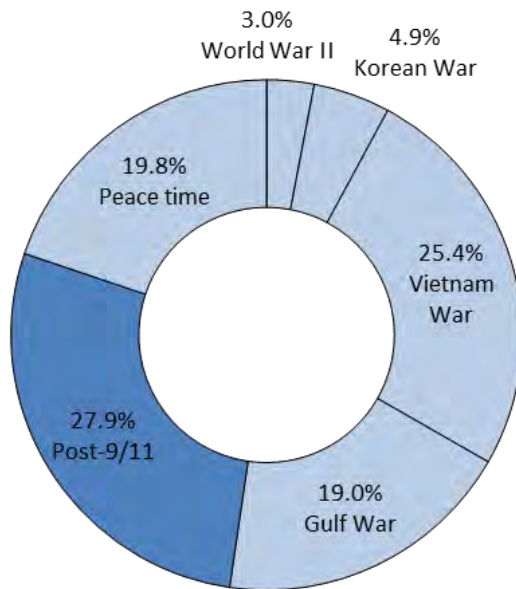
As of 2013, post-9/11 veterans comprise approximately 28 percent of Virginia's veteran population (Figure 2-2). While many post-9/11 veterans did not join the military until after September 11, 2001, many also served during earlier conflicts, such as the Gulf War. The largest concentrations of post 9/11 veterans live in the northern and eastern Virginia (Figure 2-3).

As the current veteran population ages, the proportion of post-9/11 veterans will increase. By 2033, post-9/11 veterans are expected to constitute nearly two-thirds of the veteran population (Figure 2-4). As a result, DVS can expect the service needs of the post-9/11 generation to become more prevalent. However, the proportion of veterans in each age group is not expected to change substantially, meaning that the future need for services such as employment assistance for younger veterans will probably be similar to the current need for such services.



**FIGURE 2-2**

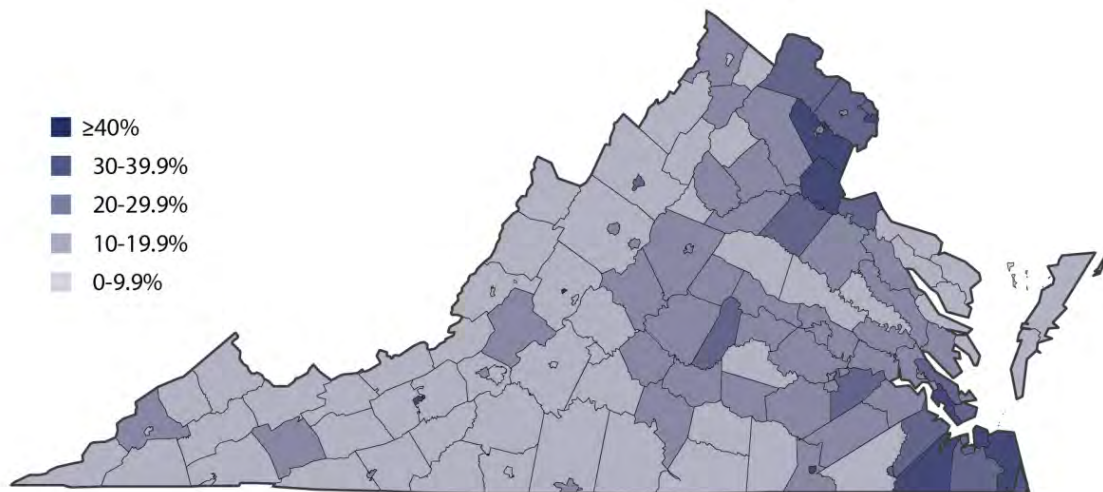
**Post-9/11 veterans comprised 28 percent of Virginia's veteran population (2013)**



Source: JLARC staff analysis of population data from the National Center for Veterans Analysis and Statistics, U.S. Department of Veterans Affairs, 2013.

**FIGURE 2-3**

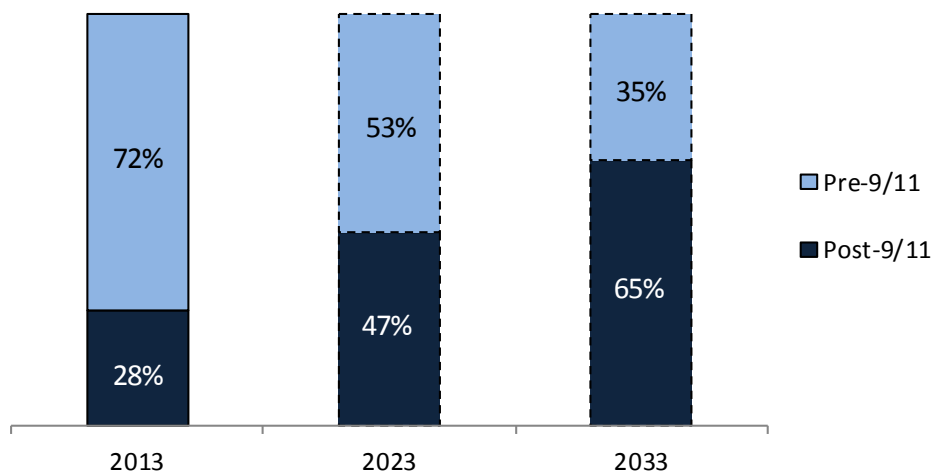
**Post 9/11 veterans as a percentage of total veterans in each locality (2013)**



Source: JLARC staff analysis of population data from the U.S. Department of Veterans Affairs' National Center for Veterans Analysis and Statistics, 2013, and American Community Survey Public Use Microdata Sample (PUMS) data, U.S. Census Bureau, 2013.

**FIGURE 2-4**

**Post-9/11 veterans are projected to represent about two-thirds of the veteran population by 2033**



Source: JLARC staff analysis of population data from the U.S. Department of Veterans Affairs' National Center for Veterans Analysis and Statistics, 2013.

### **Post-9/11 veterans are more likely to survive combat wounds and have more complex disabilities than veterans of previous eras**

Service members deployed in post-9/11 conflicts are more likely to survive combat wounds than ever before. In fact, because of advances in combat medicine and body armor, 91 percent of all post-9/11 service members who had sustained combat wounds as of November 2015 survived. According to U.S. Department of Defense statistics, this rate is higher than all other major conflicts in U.S. history (Figure 2-5).

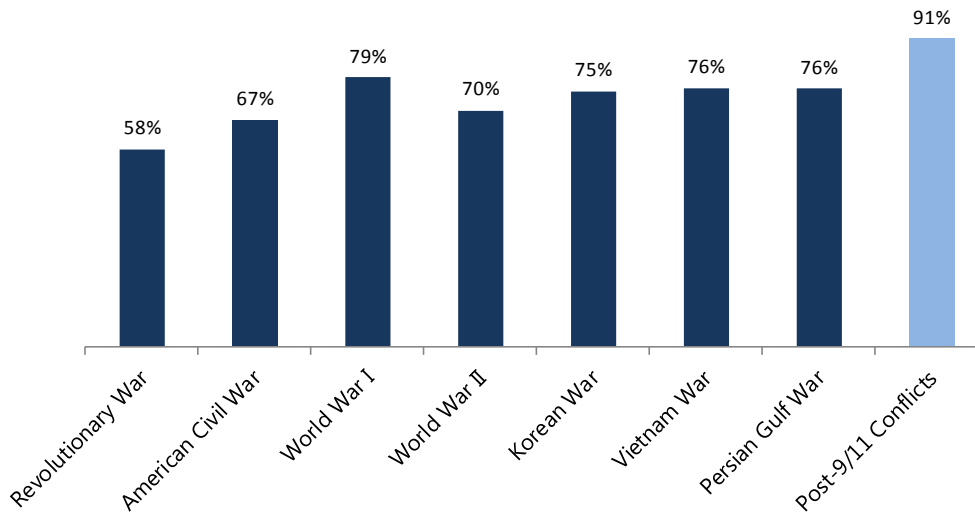
According a RAND Corporation study, a notable result of this record-high survival rate is that soldiers wounded in combat “who would have likely died in previous conflicts are instead saved, but with significant physical, emotional, and cognitive injuries,” and “caring for these wounded often requires an intensive mental-health component in addition to traditional rehabilitation services.” Although most post-9/11 veterans will return home without mental health issues, some have returned with post-traumatic stress disorder (PTSD) and major depression.

As of 2013, Virginia’s post-9/11 veterans were nearly 80 percent more likely than prior generations to have a service-connected disability, and the complexity of these disabilities appears to be rising. In the past 10 years, the VA has documented a 200 percent increase in the number of original benefits claims submitted with at least eight medical conditions.

**FIGURE 2-5**

**A higher percentage of post-9/11 service members sustaining combat wounds have survived than in previous conflicts**

**Percentage of all combat casualties that were not fatal**



Source: JLARC staff analysis of the U.S. Department of Defense "Defense Casualty Analysis System" data and casualty reports for post-9/11 conflicts, November 2015.

Note: Percentages shown are combat casualties that were not fatal. Casualty data are confined to dead and wounded and, therefore, exclude personnel captured or missing in action who were subsequently returned to military control. Data prior to World War I are estimates. American Civil War data only includes Union forces, as there are no authoritative statistics for Confederate casualties.

### **Virginia Reserves and the National Guard**

Reserves and National Guard members in Virginia are younger, have experienced more frequent deployments, and have higher rates of PTSD. They also have lower levels of satisfaction regarding their ability to access medical care.

According to federal definitions, only Reserves and National Guard members who have been called to active duty by the president and have completed their service are considered veterans. Consequently, members who do not meet this definition may not qualify for the same services, or the same level of services, provided by the VA.

## **Veterans have some key differences compared to non-veterans**

Not all veterans will require assistance from DVS or other agencies once they separate from the military. However, an unknown proportion of the veteran population does seek assistance during transition and in the years, or even decades, that follow for various reasons, such as need for employment assistance or clinical care. For those who do seek support, their needs as veterans are more similar to non-veterans than they are different. However, there are several notable differences between veterans and non-veterans that affect the design and delivery of services to this population.

### **Veterans have unique needs and experience certain challenges at a higher rate than non-veterans**

Most veterans do not suffer from mental illness or a traumatic brain injury (TBI) resulting from their deployment, but estimates of the prevalence of PTSD, depression, and TBIs among veterans indicate that veterans experience these challenges at a higher rate than non-veterans. For example, the National Institute of Mental Health

**Estimates of prevalence of PTSD, depression, and TBI, among veterans vary widely** for a variety of reasons including delayed symptoms, differences in sample sizes, and whether the study was based on clinically diagnosed or self-reported health conditions.

estimates that between two and 17 percent of veterans suffer from PTSD, compared to an estimated 3.5 percent among non-veterans. The estimated prevalence of PTSD is slightly higher among post-9/11 veterans than among Gulf War or Vietnam veterans. The prevalence of major depression among veterans (13.7 percent) is estimated to be twice as high as these rates among non-veterans (6.7 percent), and is estimated to be higher among veterans who experienced combat during their service than among those who did not experience combat.

PTSD, depression, and TBI can have wide-ranging and adverse implications for veterans, including adverse impacts on their quality of life, employment status, and family relations. These three conditions are also known to contribute to increased risk of substance abuse, suicide, and poor health conditions.

Unlike non-veterans, veterans also experience a disruption when they transition from active duty to civilian life. During this transition, individuals leave an environment in which income, housing, and social support are provided and enter an environment with fewer financial guarantees. Although not all veterans have a difficult time transitioning, nearly 30 percent of veterans and almost half of post-9/11 veterans (44 percent) considered their readjustment to civilian life to be challenging, according to a 2011 Pew survey. Younger veterans and combat veterans, especially those who experienced a traumatic event during service, are more likely to report having a difficult time transitioning. Additionally, veterans who had economic or mental health challenges prior to entering the military often return home to find these challenges persist. Challenges may continue several years after the transition to civilian life.

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**Veteran homelessness**

In 2010, JLARC staff reported that Virginia had disproportionately fewer homeless veterans than nationwide, yet the state had six of the 10 U.S. cities with the highest percentages of homeless veterans.

*Reducing Veteran Homelessness in Virginia, JLARC, 2010*

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Veterans have access to services provided by the VA that are not available to non-veterans and these services can be difficult to access and navigate. The VA offers many services to eligible veterans living in Virginia, but wait times and transportation challenges restrict veterans' ability to access these services. VA medical centers offer some of the only veteran-specific health care services in the state, and they also employ case managers to serve specific populations of veterans, including homeless veterans, those exiting the criminal justice system, and post-9/11 veterans. Given the size of each VA medical center, veterans must know whom to call and what questions to ask, and with only three locations in Virginia, getting to and from appointments can be difficult. According to national research, certain veterans are more likely to have limited access to services at the VA: women, racial and ethnic minorities, and those living in rural areas.

Lastly, veterans are typically eligible for more government and non-profit services than non-veterans. Many programs exist solely to serve veterans, while others prioritize service for veterans. With many services of varying qualities to choose from, veterans may find it difficult to navigate through their options.

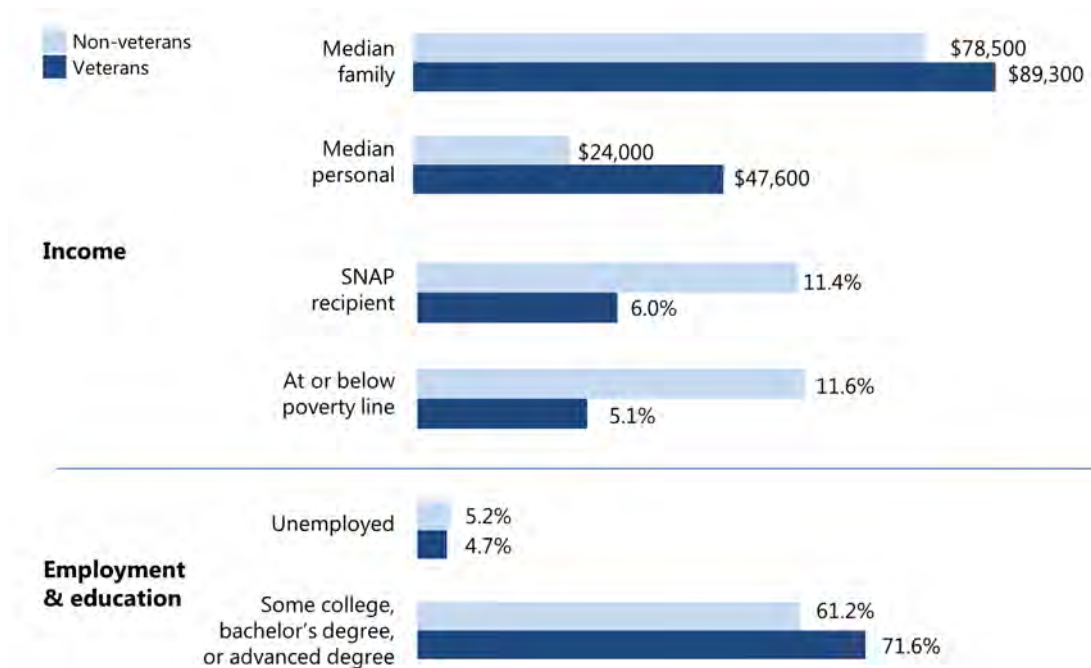
## Virginia's veterans generally fare better financially than non-veterans

Generally, Virginia's veterans appear to be faring well financially when compared to non-veterans in most key indicators (Figure 2-6). For example, Virginia's veterans have higher median family and personal incomes than non-veterans, even when taking age and gender into consideration. Consistent with national data, the unemployment rates among veterans in Virginia are also slightly lower than non-veterans within the same age groups.

Although veterans, as a whole, appear to be doing better financially than non-veterans, there are certain subgroups that may not be as well off. For example, as mentioned, veterans who are transitioning out of the military may experience significant financial challenges during the period between military employment and civilian education or employment. In addition, according to the VA, veterans who separated from the military because of reasons related to behavior, conduct, or, in some cases, legal actions, are likely to experience difficulties competing with non-veterans. In addition to the financial challenges related to the loss of military employment, these veterans are ineligible for VA healthcare or other VA benefits.

**FIGURE 2-6**

**In Virginia, veterans generally fare better financially than non-veterans**



Source: JLARC staff analysis of American Community Survey Public Use Microdata Sample (PUMS) data, U.S. Census Bureau, 2013.

Note: Results are broadly similar after adjusting for age and gender differences between veterans and non-veterans. Unemployment rates exclude those not currently in the labor force and reflect individuals ages 25 to 64.



# 3 Performance Management and Promoting Awareness

**SUMMARY** DVS's performance management system lacks useful measures that, if developed, would facilitate accountability for key outcomes of the agency's major general fund programs. Its system also does not track how DVS staff spend their time, so it is difficult to know whether staff resources are allocated effectively or efficiently. Some staff report conducting activities that duplicate the work of other agencies or are ancillary to their program's core mission. The agency's approach to promoting awareness of its services is ad hoc and uses outreach activities that are either insufficient, ineffective, or both. Several other states, especially Florida, have taken a more strategic approach to promoting awareness among veterans. DVS should likewise adopt a strategic approach to outreach. If the Virginia Transition Assistance Program, which is ineffective as currently designed, were to be discontinued, its objectives could be incorporated in the new outreach approach.

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The mandate for this study directs JLARC staff to review a variety of factors relating to the performance of DVS programs, including DVS's efforts to improve awareness of its services among veterans. All state agencies are required to develop and maintain a "performance management system involving strategic planning, performance measurement, evaluation, and performance budgeting within state government." Performance management systems exist so the "information generated from these processes is useful for managing and improving the efficiency and effectiveness of state government operations, and is available to citizens and public officials" (§ 2.2-1501).

## **DVS lacks information necessary to ensure accountability for key general fund programs**

DVS's performance management system for several of its programs either lacks certain key elements or includes elements that are incomplete or not useful. These performance management deficiencies make an already difficult mission more challenging for the agency and its staff. They also create confusion among staff and stakeholders about the agency's priorities and do not allow DVS to sufficiently measure, evaluate, and report the results it is achieving with the resources it is provided. Further, DVS is specifically required by state statute to both "perform cost-benefit and value analysis of existing programs and services" and to "develop a strategic plan to ensure efficient and effective utilization of resources, programs, and services" (§ 2.2-2004). Neither of these two requirements can be fulfilled under DVS's current performance management system.

### **DVS lacks full range of useful performance measures to ensure accountability of several key general fund programs**

DVS management has demonstrated interest in improving its use of performance measures through the development of a new internal performance measures report and the implementation of new customer satisfaction surveys in two programs. Still, the agency lacks meaningful performance measures for several of its key programs. Without clear, relevant, and meaningful performance measures for all programs, staff at DVS and other stakeholders cannot determine whether programs are achieving their intended objectives and serving customers effectively.

Currently, the DVS programs that are subject to ongoing federal oversight—veterans care centers, veterans cemeteries, and the State Approving Agency (SAA) program—maintain and use measures that convey meaningful information on the performance of the program, such as customer satisfaction measures and timeliness standards. These measures enable DVS to monitor the progress of its programs toward specific objectives and address performance issues where necessary.

In contrast, DVS programs that are not subject to oversight and use general funds—the Virginia Transition Assistance Program (VTAP), the Virginia Values Veterans (V3) program, and the Virginia Veteran and Family Support (VVFS) program—do not collect or report a full range of useful performance information, making it difficult to understand whether these programs are achieving their objectives. The only measures currently available for these programs either cannot be attributed directly to DVS activities or are poorly defined and ultimately overstate the value of the services of each program (Figure 3-1).

The VVFS program collects no useful program-wide data on how well it is achieving its statutory objective to monitor and coordinate mental health and rehabilitative services treatment for veterans. (See Chapter 5 for more detail about this program.) The VVFS program uses only one measure related to this objective: the number of veterans and family members served by local community services boards “regardless of whether the individual is a client” of VVFS. This performance measure is included in the VVFS annual report, but in reality, the program staff cannot demonstrate that its activities have resulted in all or any of these individuals receiving appropriate mental health services at local community services boards.



Figure 3-1

**DVS does not have sufficient measures to understand performance and results of several key general fund programs**

<b>Program</b>	<b>Internal performance measure</b>	<b>Measure attributable to DVS activity?</b>	<b>Reliable measure of program results?</b>
V3	Number of veterans hired by V3 companies per year		
	Number of companies signing a pledge to hire a veteran per year	?	
VVFS	Number of services provided to veterans per year	✓	
	Number of services provided to family members per year	✓	
	Number of homeless veterans		
VTAP <sup>a</sup>	Number of VTAP events	✓	
	Number of veterans and family members receiving transition assistance <sup>b</sup>	?	

Source: DVS internal performance measures report, 2015; DVS's FY 2014 Annual Report.

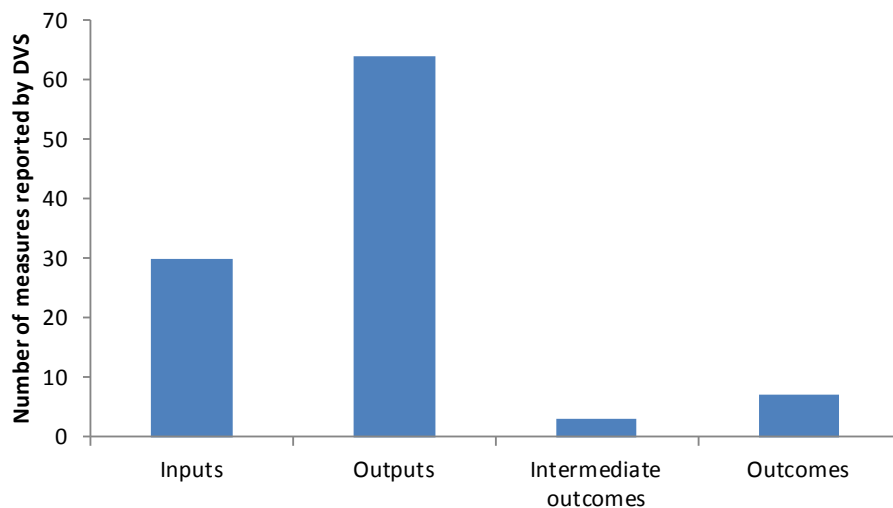
<sup>a</sup>Measures for VTAP are not included in DVS's internal performance management document. Instead, these measures were taken from DVS's annual report.

<sup>b</sup>According to VTAP staff, the number who receive "transition assistance" includes people who have had minimal contact with the organization, including those who were referred by telephone to other agencies and those who attended VTAP presentations at events hosted by other organizations.

Without the full range of goals and measures, DVS has insufficient information to improve program performance. Currently, only 10 of the 109 measures reported in the agency's annual reports reflect program outcomes, such as the percentage of total DVS-submitted benefits claims that were ultimately approved by the VA (Figure 3-2). Input and output measures are useful, but insufficient to demonstrate program efficiency and effectiveness. DVS should ensure that all programs have meaningful performance measures that can demonstrate the direct results of staff activities towards meeting program goals. DVS should also clearly define these performance measures, where such clarification is necessary. (See Appendix F for performance measures that would better align with the objectives of certain programs.)

**Figure 3-2**

**Input and output measures, rather than outcomes, are presented to stakeholders as indicators of DVS performance**



Source: JLARC staff analysis of measures presented in DVS's 2014-2016 Strategic Plan, 2014 Annual Report, Virginia Wounded Warrior Program Annual Progress Report 2014, and the VMSDEP 2014 Annual Report.

### **RECOMMENDATION 1**

The Department of Veterans Services should develop and use performance measures for all programs. Performance measures should reflect the relationship between inputs, outputs, and outcomes to allow assessment of program efficiency and effectiveness.

### **DVS cannot ensure the efficient allocation of its staffing resources**

Staffing represents the largest expenditure category at DVS, at approximately \$34 million (62 percent) annually, yet DVS cannot reliably ensure its staff are using their time most efficiently or effectively, in part because it has no time allocation system. One consequence of this is that some DVS staff are engaging in activities that either duplicate what other agencies do or are ancillary to DVS's mission. For example, in interviews, six DVS staff reported that they help veterans write resumes. Other federal, state, local, non-profit, and private entities, including the Virginia Employment Commission, the federal Veterans Employment Center, and the U.S. Department of Labor's Transition Assistance Program, also provide resume-writing assistance. It is not clear that DVS staff are adequately trained to help with writing resumes or that a need exists for DVS to provide these services.

Thirteen DVS staff also reported doing work that is ancillary to a given program's objectives. Staff reported cooking hamburgers at fundraising cookouts and stocking shelves at local food banks twice a month. Ancillary activities divert staff resources away from a program's core function and detract from the ability of a program, or the entire agency, to achieve its mission.

#### **Interviews with DVS staff**

To gather information for this report, JLARC staff conducted at least one interview with 71 different staff at DVS. (See Appendix B for more information on research methods used for this study.)

DVS needs information on how staff spend their time in order to ensure that time is allocated efficiently and effectively, and that management is able to redirect staff activities as necessary to support program goals. To begin addressing this issue, DVS should adopt the time allocation system that is provided by the Department of Human Resource Management. This system is free to state agencies and can be customized to accommodate the full range of DVS work activities. According to DHRM staff, as of October 2015, 55 state agencies had adopted this system.

## RECOMMENDATION 2

The Department of Veterans Services should use the Department of Human Resource Management's time allocation system, require staff to use the system to report time spent and activities performed each day, and use reported staff time information to assess allocation of staff time and redirect as appropriate to efficiently and effectively meet program goals.

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## Some DVS staff do not understand how DVS programs fit together to serve veterans

In part because of a lack of rigorous strategic planning and lack of coordination across programs, some DVS staff do not fully understand how all the various DVS programs work to assist veterans. Because DVS does not clearly articulate the connections between programs, it is difficult for staff to help veterans navigate the agency's various services.

During interviews with DVS staff across programs, some DVS staff exhibited a lack of understanding about the existence or purpose of other programs. For example:

"I know of the [Virginia Veteran and Family Support program], but I don't know what they do." – *Benefits assistance staff member.*

"We used to have people from benefits ask, 'What do you do again?' It would be helpful for benefits staff to get information from the top down, through trainings, for example, so they know what we do." – *VVFS staff member.*

In an interview, one benefits assistance staff member reported referring veterans to the VVFS program for employment assistance. The VVFS program, though, is not responsible for employment assistance. Those veterans usually return later, according to the staff member, with their employment needs still unmet.

In interviews, DVS leadership indicated that they are aware of this lack of staff knowledge of other programs, and many DVS staff mentioned that communication across programs is improving under the agency's current leadership. Still, DVS relies primarily on the knowledge and experience of individual staff members to know how to route veterans to other services. All DVS staff should be capable of routing customers appropriately to services that can meet their needs, especially within the

agency. Without this capability, DVS risks providing poor guidance to veterans and adding unnecessary confusion to an already complex system of services for veterans.

### RECOMMENDATION 3

The Department of Veterans Services should (i) provide staff with accurate descriptions of each program and detailed protocols for directing veterans to other programs, and (ii) ensure staff use these descriptions and protocols to correctly refer veterans to other DVS programs when necessary.

## DVS has not taken proactive and strategic steps to promote awareness of its services

DVS's mission statement cites timely transition assistance as a critical aspect of effective DVS operations. In general, veterans could be best served by veterans services if they are made aware of these programs when they are making the transition to civilian life. The need for awareness continues after this point, too, because veterans circumstances and needs change over time.

### Lack of program awareness is problem most commonly cited by veterans groups

According to many members of the Joint Leadership Council of Veterans Service Organizations (JLC), who represent various veterans groups in Virginia, DVS's greatest opportunity is to improve its visibility among veterans in Virginia (Figure 3-3). JLC members expressed to JLARC staff that specific programs, and the agency as a whole, could do a better job promoting awareness among veterans of DVS's services.

**Figure 3-3**

**JLC members expressed concern about lack of awareness**

Specific programs	Agency wide
"I'm not sure we get the word out to our veterans that [the benefits assistance] service is available. I talk to many veterans and tell them about the state claims process and they didn't have a clue."	"The single most significant issue we see with respect to the Virginia Department of Veterans Services is our lack of awareness of what the organization does and how local veterans can take advantage of those services."
"I don't think we are getting the word out well enough about [the V3 program], especially to small businesses. We need more awareness. I contracted with a small business and she was not aware of the program until I told her."	"I think the biggest problem is just getting the word out to the individuals in our organization. For some reason, the members of the organizations I belong to are just not aware of some of the services available."

Source: JLARC staff survey of Joint Leadership Council of Veterans Service Organizations members, 2015.

Awareness is likely to be even lower among veterans who are not connected to veterans groups or to the veterans community—a common characteristic of post-9/11 veterans.

### **Florida takes a strategic approach to promoting awareness of available programs**

Virginia's DVS is not unique in its struggle to make veterans aware of its services. Other states, most notably Florida, have taken more strategic steps to address this challenge. In 2012, the Florida Department of Veterans' Affairs contracted with a public relations consulting firm to evaluate and improve its communication mechanisms and tactics. The primary goal of this effort was to more effectively engage veterans who were not receiving all of the benefits to which they were entitled, particularly recently transitioned veterans, women veterans, and Vietnam-era veterans.

The process resulted in many changes to the Florida Department of Veterans' Affairs approach to outreach, including a clarification of the department's mission, vision and values, and an identification and analysis of target audiences and the most effective strategies to get the department's message to them. The consultants redesigned the agency's website, developed a smartphone app, helped the Department develop a strategic presence on various social media platforms, created a wide variety of standard outreach materials (such as brochures), and developed metrics to measure the impacts of these changes.

The impacts of these reforms on veteran engagement were substantial. In the three-month period following the initiative's launch, the Florida Department of Veterans' Affairs experienced a 68 percent increase in the services provided to "never-before reached" veterans and a 95 percent increase in services to all veterans. In two years, the department's Facebook following increased by 10,242 (862 percent). Since the new website launched in September 2012, the department has averaged 220,000 visits per year, which is nearly double the agency's web visits before the initiative. Most importantly, the number of Florida veterans enrolling in VA health care and receiving service-related compensation or pension benefits increased substantially within a year of the program's launch. The Florida Department of Veterans' Affairs received an award from the VA for this outreach and branding campaign in 2015.

Today the Florida's agency uses the Research, Plan, Implement, and Evaluate approach to all outreach initiatives, which addresses specific communications challenges, such as how to engage women veterans or Vietnam veterans. Through an ongoing analysis of these challenges as they arise, Florida developed effective communications techniques to address these different audiences.

According to staff at the Florida Department of Veterans' Affairs, the initial cost of the marketing, branding, and communications overhaul was \$70,000. Since 2012, Florida's agency has spent a total of \$350,000 on this outreach campaign, as they

have elected to retain the contractor for additional products each year. Agency staff suggested that their efforts could be replicated in other states.

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#### DVS outreach

In a 2010 report, JLARC staff found that “outreach initiatives have not been implemented or funded” at DVS and concluded “DVS should examine how to take a more proactive role in contacting and informing veterans of the services and benefits for which they are eligible” *Reducing Veteran Homelessness in Virginia, JLARC, 2010.*

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### **DVS should improve awareness as part of comprehensive communications strategy**

The low level of awareness among Virginia’s veterans is not new, and the explanation, at least in part, is that DVS has not strategically promoted its services in Virginia (see sidebar). Although most DVS programs engage in some form of outreach, the quality of the outreach varies substantially and depends on the knowledge, experience, and initiative of individual staff members. This approach risks unclear and incorrect messaging to veterans and other potential customers, inefficient use of staff time, and ineffective communication tactics.

DVS now has one staff member responsible for communications. Recent notable changes to DVS’s communications include a new branding manual, to ensure consistent branding across programs, and a more user-friendly website. These changes, particularly the consistent branding, are important to improving visibility. Still, the agency’s focus on strategic outreach is too narrow.

One area where DVS could improve awareness is through the establishment of more formal and regular interactions with other organizations. Unlike its California counterpart, DVS has not been strategic about its engagement with other organizations, as evidenced by the lack of communication between Department of Motor Vehicles (DMV) staff and DVS staff regarding the state’s veterans ID program, which started in May 2012 (see sidebar). According to DMV staff, as of August 2015, DMV had issued 67,092 veterans ID cards to veterans in Virginia, and is issuing approximately 1,000 new cards each month. As part of the application for the veterans ID card, individuals consent to the sharing of their contact information, including their email addresses, with DVS, including any updates to this information.

Although this cost-effective resource for informing veterans about DVS services was available to DVS, staff at DVS did not make sufficient efforts to obtain this data until September 2015—more than three years after DMV started its veteran ID program. DVS staff indicated that technical difficulties prevented coordination, but, according to staff at DMV, the data has always been available in commonly accessible formats. As of October 2015, DVS staff were developing an MOU to establish regular data transfers between DMV and DVS.

DVS’s new smartphone app represents an example of a relatively ineffective effort to communicate with veterans. According to DVS staff, the app was developed in 2014, not because it had identified this as an effective mechanism to promote awareness, but in an effort to keep pace with technological trends. The app adds minimal value over the already mobile-friendly version of the website and it has not been widely used. As of October 2015, there were only 656 total verified downloads. Assuming

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#### California’s use of DMV data to contact veterans

In 2010, the California Department of Veterans Affairs and the California Department of Motor Vehicles entered into a formal agreement to obtain contact information for its customers who self-identified as veterans. By 2014, the Department of Motor Vehicles was providing the California Department of Veterans Affairs with updated contact information for roughly 60,000 veterans in the state.

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these 656 downloads were all unique customers and all veterans, this app has reached less than 0.1 percent of veterans in Virginia.

With the exception of care center and cemetery staff, most DVS staff are asked by the agency to engage in outreach, but the extent to which DVS staff actually do so is unknown. Without time allocation information, DVS leadership cannot reliably track the extent to which staff are engaging in outreach or how much time the agency is devoting to outreach relative to other core responsibilities.

To more effectively reach and inform veterans in Virginia, DVS should follow Florida's lead by using a more strategic approach to communicating with veterans. Florida's use of the Research, Plan, Implement, and Evaluate framework is one possible model for DVS, which has no similar framework for guiding its outreach practices.

#### RECOMMENDATION 4

The Department of Veterans Services should develop a detailed communications plan that details how DVS will (i) identify specific populations of veterans who are likely to be unaware of its services, (ii) develop strategies to reach these populations, (iii) implement these communications strategies, and (iv) evaluate the success of the communication strategies.

#### **VTAP has not been effective at promoting awareness among transitioning service members and connecting them with services**

The Virginia Transition Assistance Program (VTAP) was established to reach transitioning service members and connect them with available employment, education, and entrepreneurship services prior to separation from the military. In practice, however, VTAP serves both service members and veterans alike and lacks an outreach strategy, goals, and guiding policies to reach this population. Furthermore, program staff have not accessed military bases early and often, which is critical because once discharged, service members can be difficult to locate.

VTAP in its current form and with current funding has little chance of being effective. In the past, VTAP has not participated in federal transition assistance programs on military installations, although VTAP reports some recent outreach efforts at these locations. Program activities, which seem ad hoc and arbitrary, range from attending job fairs to helping veterans find suits to wear to interviews. DVS reported that VTAP has provided "transition assistance" to over 2,300 individuals since its creation in 2012. However, this measure overstates the program's value because it includes participants at events organized by other entities and basic referrals to other programs.

Further, other DVS and state programs already conduct outreach to transitioning service members. Specifically, VVFS staff interact with transition offices on military bases, and the Virginia National Guard and Reserves employs staff to connect service members with employment assistance. Most apparent, though, is the duplication

Virginia Transition Assistance Program	
FY 2016 Appropriations	
GF	NGF
\$200 K	\$0

#### **Strategies for outreach to transitioning service members**

The federal government does not promote awareness of state and local resources for veterans, and after service members leave the military, they may be difficult to contact.

State and local providers need regular access to military bases to promote veterans programs among service members.

between VTAP and employment services provided by VEC. Staff from two VEC programs are on every military base several times a year to connect individuals with employers.

Although DVS lacks a comprehensive and coordinated effort to conduct outreach to transitioning service members, VTAP in its current form is not the solution. As implemented, the program is an inefficient use of state dollars, and in the absence of a strategy and clear program objectives, it only adds to the confusion and complexity of services for veterans. However, any single program that seeks to address transitioning needs would likely be ineffective because of the immense size and diversity of needs of Virginia's veteran population.

DVS should instead work to inform transitioning service members more strategically and help them access benefits and services they need through existing programs. For example, like Florida, it could more frequently engage and advertise its services to student veteran organizations at Virginia's colleges and universities, where many service members attend immediately after leaving the military. Florida also broadcasts a 30-second public service announcement specifically for transitioning service members that highlights benefits available to them, including five years of free VA health care, up to 36 months of college or training, help finding a job, and compensation for service-connected disabilities. Veterans are directed to the Florida Department of Veterans' Affairs for help in obtaining these benefits.

#### **RECOMMENDATION 5**

The Department of Veterans Services should eliminate the Virginia Transition Assistance Program and incorporate strategies to engage the population of transitioning service members through the agency's broader communications strategy.

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# 4 Benefits Assistance Program

**SUMMARY** The purpose of the benefits assistance program is to connect veterans to federal and state benefits for which they are eligible. Until recently, the benefits assistance program was poorly managed and under-resourced. Minimal training and oversight led to wide disparities in service quality among offices. Investments in training, capacity, and operational resources resulted in significant improvements in the past year. Responses to recently administered customer satisfaction surveys are nearly all positive. The program has increased the percentage of claims submitted through a VA process that enables faster adjudication, but some offices could further utilize it. Several offices appear to have substantially higher workloads than most other offices, and it is possible that veterans seeking service at these higher-workload offices face longer wait times or are not served at all. Because the program does not track and monitor wait times, the magnitude of these wait times is unknown. The benefits assistance program should track wait times at all offices and use this data to strategically allocate staff across the state with the goal of alleviating wait times as needed at certain high-workload offices.

The DVS benefits assistance program helps veterans apply for federal and state benefits to which they are entitled, and Virginia has been providing such assistance to veterans since 1942. Benefits assistance staff, who are located at 25 offices across the state, meet with veterans (or family members) individually to explain available benefits and help them submit claims for federal VA benefits (Figure 4-1). The expertise and time required for each benefits claim varies widely. Some claims require many hours of extensive evidence development, while others only require completion and submission of a simple form. State benefit assistance programs operate without federal oversight and receive no federal funding.

The VA does not process claims submitted through DVS any differently than if a veteran submitted a claim directly. However, the VA allows DVS staff to access its internal database, which enables them to see and communicate useful information such as the status of submitted claims. Certain DVS staff also have opportunities to communicate with VA staff as claims are being assessed.

The DVS benefits assistance program processes more claims than other entities in Virginia that provide similar services. In FY 2015, DVS filed approximately 60 percent of all claims submitted to the VA from Virginia. Staff primarily help veterans apply for federal service-related disability compensation, need-based pensions, and the VA's health system, but also assist veterans as they apply for other local, state, and federal benefits. DVS benefits assistance staff most frequently help veterans apply for service-related disability compensation and for VA medical benefits (Table 4-1).

Benefits Assistance	
FY 2016 Appropriations	
GF	NGF
\$6.19 M	\$0.1 M

## Providing benefits claims assistance is optional

Nearly all states provide assistance with claims, through a variety of approaches. Like Virginia, 46 other states have accredited staff to assist with claims, many of whom are located in field offices around the state. Unlike Virginia, 28 states provide benefits claims assistance through staff employed by counties.

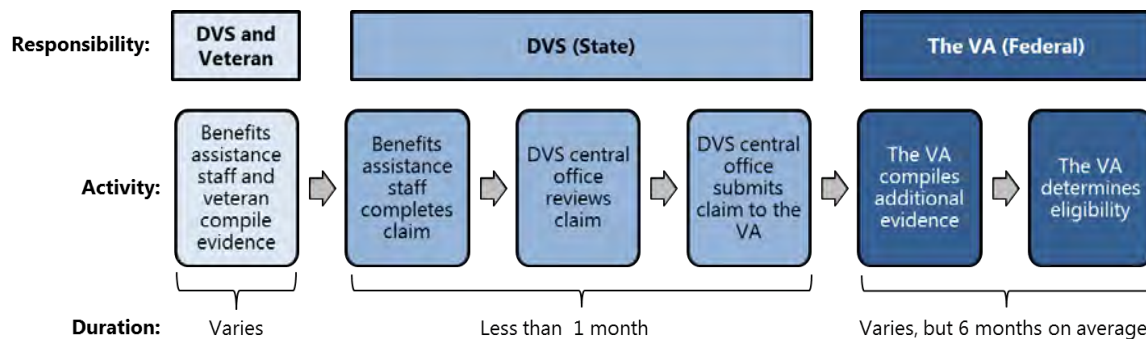
### Wait times for claims determination are largely dependent on the VA

The time until the VA ultimately determines whether the veteran will receive benefits depends largely on the VA's internal processes, priorities, and resources. For example, a recent initiative to process older claims indirectly lengthened waiting times for more recently submitted claims. The average wait time for disability compensation payments is six months.

(See Appendix K, online only, for comparison to other states in terms of federal VA benefits received by veterans in FY 2014.)

**FIGURE 4-1**

### DVS prepares claims and the federal VA determines eligibility



Source: JLARC staff analysis of DVS interviews and data from VA's ASPIRE dashboard.

Note: VA determination time is the Virginia average for disability compensation claims in FY 2015. DVS has a policy whereby all claims must be processed through DVS and submitted to the VA within the same month of the claim's completion.

**TABLE 4-1**

### Benefits received by veterans in Virginia, by type (FY 2014)

Benefit	Recipients <sup>a</sup>	Estimated % of Virginia veterans <sup>b</sup>	Total amount received (\$M)
Disability Compensation	164,541	21%	\$2,106
Medical	148,585	19	1,444
Education	62,992	8	
Vocational Rehabilitation and Employment	2,968	<1	932 <sup>c</sup>
Pension	5,825	1	63

Source: JLARC staff analysis of data from the VA's Geographic Distribution of VA Expenditures (GDX) Report for FY 2014 and Annual Benefits Report for FY 2014.

Note: Excludes some federal programs such as Insurance, Home Loans, and military retirement pay. Percentage of recipients and total amount received are not directly comparable due to varying definitions across sources.

<sup>a</sup>Number of recipients at the end of the fiscal year for Disability Compensation and Pensions; number of unique patients for Medical; and participants during the year for Education and Vocational Rehabilitation and Employment.

<sup>b</sup>Percentages represent a maximum because recipients of certain benefits can be family members of veterans.

<sup>c</sup>Data only available for the combined amounts received for the Education and Vocational Rehabilitation & Employment programs.

## Staff training did not occur for years, despite staff turnover and Code requirements

The value that benefits assistance staff provide to veterans depends primarily on the staff's expertise at ensuring the veteran is aware of all available benefits and submitting well-evidenced claims. Competent benefits staff can accurately complete a claim

and answer all the veteran's questions, but expert staff may be able to serve the veteran beyond the veteran's specific inquiry (Figure 4-2). Experience and training can improve staff's ability to interpret complex legal, medical, and bureaucratic language and apply it to the veteran's unique circumstances.

**FIGURE 4-2**

**Well-trained benefits assistance staff can reduce the complexity of the benefits claims process, resulting in various positive impacts**

<b>Impact</b>	<b>Staff responsibility</b>	<b>Example</b>
Maximize federal benefits	Identifies benefits for which veteran is eligible	Converses with surviving spouse who inquired about a burial flag. Informs spouse that she qualifies for survivor's benefits due to veteran's cause of death
Minimize number of claims with low likelihood of approval	Informs veteran when evidence does not meet minimum eligibility criteria	Explains to veteran that his income exceeds maximum for pension benefit
Minimize difficulty applying	Completes and submits claim	Advises veteran to request a summary letter from his physician rather than compile lengthy medical records
Maximize claim's likelihood of approval	Obtains evidence to support eligibility, especially beyond what the individual or the VA would do	Gathers "buddy testimony" from former fellow service members when no formal documentation of injury exists
Minimize VA's eligibility determination time	Help the veteran strategically navigate the VA	Warns veteran against reply to VA letter that would transfer claim to slower determination process

Source: JLARC staff analysis of interviews with DVS staff.

Prior DVS management did not adequately train program staff to ensure that benefits assistance staff had sufficient expertise and that veterans were receiving high quality benefits claims counselling. The training requirements mandated by statute are particularly relevant to the benefits assistance program because of DVS's legal responsibilities and the financial consequences of the program's work (sidebar). However, initial and continual training had been minimal or sporadic until recently. This resulted in variation of quality across the state. In interviews, benefits assistance staff generally expressed dissatisfaction with their training, characterizing it as "a joke," "a major issue," "nonexistent before new management." They felt "thrown-in" and "in free fall." Until April 2015, benefits staff had not received formal, statewide training since 2007. There are no records of mandated curricula or minimum hours for training, and staff report that the amount of training depended on the office or regional manager at the time.

In the past year, new management has implemented regular and comprehensive training for benefits assistance staff in order to assure quality. In 2015, nearly all staff

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**Statutory requirement to train DVS staff**

The Code of Virginia requires DVS to "engage Department personnel in training and educational activities aimed at enhancing veterans services" (§ 2.2-2004).

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attended the annual statewide conference, and management planned quarterly regional conferences. These mandatory trainings will enable management to systematically share subject matter information and educate staff regarding the frequent changes to veterans' benefits by Congress and the VA. To supplement group trainings, DVS management has also provided staff with a reference manual detailing VA benefits for the first time. Staff noted the value and importance of this recent training:

“The recent week of training in Richmond was what we needed. Without that, offices become very inconsistent and the veterans see that.”

“Things have majorly improved in the last nine months. Before that, people left because of low salary but also the lack of training. . . . [Staff] who were hired and not trained disliked not knowing what they were doing.”

Training remains important due to the large percentage of still-inexperienced staff. Of the current staff assisting veterans with benefits, approximately half have held the position for less than one year and approximately two-thirds have held the position for less than three years. In contrast, three to five years of experience is the commonly cited learning curve for benefits assistance staff.

This overall lack of experience is partly due to high turnover in the past but also to the recent addition of new benefits assistance positions. DVS has not maintained data to measure staff turnover, but the benefits assistance program lost at least 44 staff members between 2008 and 2013, which equates to losing roughly one-fourth of the program's staff per year.

Management has also recently taken steps to better retain staff. Staff and management cited salaries and morale as the key reasons employees left. Management recently increased salaries to account for experience and cost-of-living differences, and developed a salary and promotion plan. Because the compensation plan just became effective in 2015, it is too early to tell whether these changes will reduce staff turnover.

#### **RECOMMENDATION 6**

DVS should monitor turnover rates among benefits assistance staff and use the information to identify strategies to retain staff. Monitoring should include (i) the number and percent of staff who leave, (ii) the reasons for departure, and (iii) the percentage of staff who have fewer than three years of experience assisting veterans with benefits claims processing.

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## **Benefits assistance program appears to be improving but does not maximize use of Fully Developed Claims option**

Several indicators suggest that the benefits assistance program is improving, but the program can still further ensure consistent service quality across offices. The program's new feedback forms indicate high levels of customer satisfaction. The rate at which claims submitted to the VA have been approved appears to be reasonable, based on the experience of another state with a large veteran population. However, the benefits assistance program has inconsistently implemented the "Fully Developed Claims" (FDCs) method of submitting claims, which has proven to reduce the amount of time it takes for veterans to receive benefits. DVS should review the rate of claims submitted as FDCs and claims approved by the VA by staff member in order to improve these rates when possible.

### **Almost all customer feedback indicates satisfaction with the service provided through the benefits assistance program**

Members of the Joint Leadership Council (JLC) of Veterans Service Organizations reported mostly positive feedback about the service by benefits assistance staff. Three of the JLC members described quality of service positively, describing service as "excellent" with "no red tape." A fourth member observed "amazing" improvements to a program that had been "broken" by "lack of training," "a general lack of concern," and other factors. Additionally, several veterans organizations that also provide benefits assistance in Virginia have referred some veterans to DVS's benefits assistance program because it has greater expertise in some areas.

Further, 99 percent of the responses provided through optional customer feedback forms available at DVS benefits offices were positive. Responses from veterans noted high levels of subject-matter expertise and personal communication skills. The forms were first implemented in 2015, so responses cannot be compared to prior years.

DVS should more systematically collect and monitor the results of its customer feedback. Currently, feedback is collected in an ad hoc fashion and reviewed by the program director, who follows up as needed. Ideally, the feedback could be collected from each client electronically or converted to a more analytically useful electronic format. Also, adding quantitative questions to the forms, such as "rank your overall satisfaction on a scale of one to 10," would allow DVS to easily summarize the results and therefore to compare results over time and between offices. Regional managers could review the results to identify issues with particular staff or offices. DVS should also use customer feedback to measure the impact of staff on claims, especially instances in which staff make veterans aware of additional benefits.

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#### **JLC survey**

16 of the 23 JLC members responded to JLARC's survey, and 13 members provided feedback on the DVS benefits program.

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## RECOMMENDATION 7

The Department of Veterans Services should collect and monitor benefits assistance program customer feedback to assess, at a minimum, the extent each customer was (i) satisfied with the service they received, and (ii) made aware of additional federal or state benefits during their meetings with benefits assistance staff. The Department should systematically use this customer feedback to identify opportunities to improve staff performance.

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### **DVS could likely increase the program's overall approval rate by reviewing variation in claims approval rates across offices**

In FY 2015, the VA approved 70 percent of the claims submitted by DVS in that year or prior years. This “approval rate” has fluctuated between 60 percent and 77 percent between FY 2003 and FY 2014. Benchmarking this approval rate is difficult because the VA does not report approval rates by state or nationwide, nor is this information available from other states or national veterans organizations. However, in interviews, staff of the Texas Veterans Commission also reported an approval rate of approximately 70 percent, and a target approval rate of 75 percent set by the Commission's five-year strategic plan. Texas is a reasonable state for comparison because it also has one of the nation's largest veterans population. A 100 percent approval rate is not feasible because of the complexity and nature of VA's adjudication process, as well as veterans' ability to submit claims through DVS despite very low odds of success.

DVS can positively influence approval rates by ensuring that claims have sufficient evidence and are accurate. The benefits assistance program has implemented several policies to achieve these goals at the staff and overall program levels.

At the staff level, DVS is investing in training and retention to improve staff expertise. Moreover, staff can indirectly increase the approval rate by informing veterans when they are not eligible for the benefit and when the lack of evidence makes a denial highly likely. The program's management reversed the prior policy that staff submit all claims requested by veterans, but the extent to which staff are advising against submitting such claims is unknown.

At the program level, DVS management has instituted three methods of quality assurance. First, designated staff verify that every claim contains basic elements: a signature, date, and supporting documents. Second, a senior staff member randomly selects at least several dozen claims to review in depth and advises assistance staff on ways to improve their claims. Third, DVS has instituted a new electronic claims system, which is designed to reduce the likelihood of technical errors and field omissions.

Ultimately, DVS's impact on approval rates is limited because approval depends largely on the strength of the veteran's claim and the judgment of VA staff. Benefits assistance staff can work with veterans to develop their claims but do not control

circumstances that can affect the likelihood of approval. For example, if a long time has elapsed since a veteran's separation from service, it may be difficult to find evidence and to attribute medical problems to military service. Disability compensation claims by these veterans are less likely to be approved—all else being equal. Moreover, approval rate is dependent on subjective judgments by individual VA staff of the strength of the claim based on evidence submitted.

With sufficient context, approval metrics could be used by DVS as one way to assess staff performance. DVS currently tracks the program-wide approval rate but is unable to report rates by office or staff. If DVS modifies its electronic database, it could produce approval rates at the staff level, so that management could compare approval rates of staff within an office. Staff with low approval rates may need additional subject matter training to improve the quality of submitted claims, or may need to focus on informing veterans when their claims are unlikely to be approved. Using DVS's electronic data system, which includes demographic data, to benchmark approval rates across offices for similar types of claims could allow DVS to understand how variation in a client population contributes to variation in approval rates.

#### **RECOMMENDATION 8**

The Department of Veterans Services should monitor approval rates across staff and offices. The Department should (i) use this information to assess variation across staff and offices, (ii) evaluate whether staff and offices with lower approval rates could benefit from additional training, and (iii) provide such training as needed.

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#### **Benefits assistance could reduce the time it takes to receive federal benefits by increasing the rate of “Fully Developed Claims”**

Although much of the total time between claim development and the VA's decision depends on the veteran's circumstances and the VA's workload and priorities, DVS can take certain steps to reduce the amount of time a veteran has to wait for his or her benefit. First, the benefits assistance program can ensure that all claims are processed and sent to the VA in a timely manner. To ensure all claims are processed efficiently, DVS has (and enforces) a policy whereby all claims are processed and submitted to the VA within the same month of the claim's completion.

In the past year, the benefits program has developed the capability to file claims electronically. This shortens the submission time and has reduced the average total wait time by at least a month. Virginia is the first state to file veterans' claims completely electronically.

DVS should, however, continue to attempt to increase the percentage of claims that it submits as FDCs because this process is known to reduce the time it takes for the VA to adjudicate claims. By submitting a FDC instead of a traditional claim, the claimant affirms that the claim includes all necessary evidence, allowing the VA to

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**Retroactive payments to veterans**

Regardless of the time it takes for the VA to decide whether a veteran is eligible for disability or pension benefits, the VA awards retroactive compensation back to month following the date of veterans submitted their claim.

DVS can increase a veteran's total lifetime earnings by helping to file for these benefits as soon as possible.

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make a decision faster because it does not need to gather additional information from outside its system to support the claim.

Technically, the difference between a traditional claim and FDC is the way the VA processes them. The type of claim (traditional or FDC) indicates nothing about the likelihood of approval; both types of claims are subject to the same standards for approval and rights to appeal. However, FDCs are determined several weeks to several months faster than traditional claims. The VA highlights these faster processing times and is strongly encouraging benefits assistance staff nationwide to file claims as FDCs. In interviews, staff of benefits assistance services in five other states indicated that their benefits assistance offices promote the use of FDCs when possible. Further, the VA's regional staff in Virginia indicated that nearly all claims submitted through DVS could potentially be submitted as FDCs.

The benefits program increased its rate of FDCs in the past year, and should continue encouraging veterans to submit through this method. Thirty-nine percent of all claims submitted by DVS in September 2015 were submitted as FDCs, equivalent to the nationwide percentage of claims submitted as FDCs in FY 2014. DVS increased its percentage of total claims filed as FDCs by 64 percent in 12 months.

There is a wide range in the use of the FDC method across offices—from 19 percent to 72 percent of total claims. There is no clearly identifiable reason for such wide variation across offices, and it is likely that some offices could increase their percentage of claims submitted as FDCs. To maximize its efforts, DVS could prioritize the offices that are submitting the highest number of claims but have a relatively low percentage of FDCs. For example, if the three offices with the highest volume of claims (as of September 2015) submitted the statewide average percentage of FDCs, the overall program's FDC rate would increase by three percentage points. Program management has indicated that they are planning additional staff training to increase the number and quality of FDCs.

#### **RECOMMENDATION 9**

The Department of Veterans Services should establish agency goals for the percentage of claims that should be submitted as Fully Developed Claims. The Department should determine the reason why some offices are submitting fewer Fully Developed Claims than others and implement changes as needed to increase the percentage.

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## **High workloads could be resulting in long waits and veterans not being served at some offices**

The workload of staff appears to be substantially higher at certain benefits offices than others. At these higher-workload offices, primarily located in central and eastern Virginia, there is anecdotal information to suggest that veterans face long wait times before meeting with staff. While the benefits assistance program's management is



generally aware of offices that reportedly have long wait times, DVS does not measure wait times or the number of veterans who leave without being served.

The recent expansion of the benefits assistance program's capacity is likely to further improve office capacity to some extent, but also makes it more important to systematically track wait times. From FY 2014 to FY 2016, the number of benefits assistance staff almost doubled. Quantifying by how much additional staff have reduced wait times will help DVS management better understand workloads and better allocate staff resources efficiently in the future.

### **Workload across offices appears to vary substantially**

No objective benchmark exists to allow DVS to determine precisely how many staff should be located at each office or how many clients each staff should assist each day. Instead, DVS uses transaction volumes (such as number of claims submitted through each office), communication with staff and regional managers, and information about veteran populations across the state to inform staff allocation. The Code of Virginia establishes a minimum number of total benefits assistance staff based on the number of veterans in the state, but this number is unrelated to actual demand for services at each office (sidebar).

Absent a workload standard, the only useful measure available to assess variations in workload across offices is the number of clients with whom staff interact, either over the phone or in person, within a certain timeframe. The number of contacts per staff is a better representation of workload than the number of claims because a complex claim can necessitate multiple contacts before submission. Applying this measure across offices for the month of September 2015 indicates that some benefits assistance offices have significantly higher workloads than others (Figure 4-3). Two offices experienced twice the state median workload, and one office experienced three times the median workload.

Some offices will inevitably have lower workloads because their locations were selected to ensure that veterans in rural regions have access to benefits assistance staff. DVS's policy of employing a minimum of two staff per office appears reasonable to ensure that at least one is present to keep the office open at any given time. Where this is the case, DVS is balancing the goals of geographical access and staff allocation.

### **Veterans who seek assistance from higher-workload offices may face long wait times or not be served at all**

Veterans and benefits assistance staff report anecdotes of long wait times at certain benefits assistance offices. For example, at one of the busiest offices, veterans reportedly arrive up to three hours before the office opens to ensure a spot on the sign-in sheet and guarantee a meeting with benefits staff that day. During one unannounced site visit to this particular office by JLARC staff, benefits assistance staff

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#### **Statutory minimum requirements for staffing the benefits assistance program**

The Code of Virginia requires one benefits assistance staff member for each 23,000 veterans (§ 2.2-2002.1).

DVS met this requirement by the end of FY 2015 and will meet it again for FY 2016.

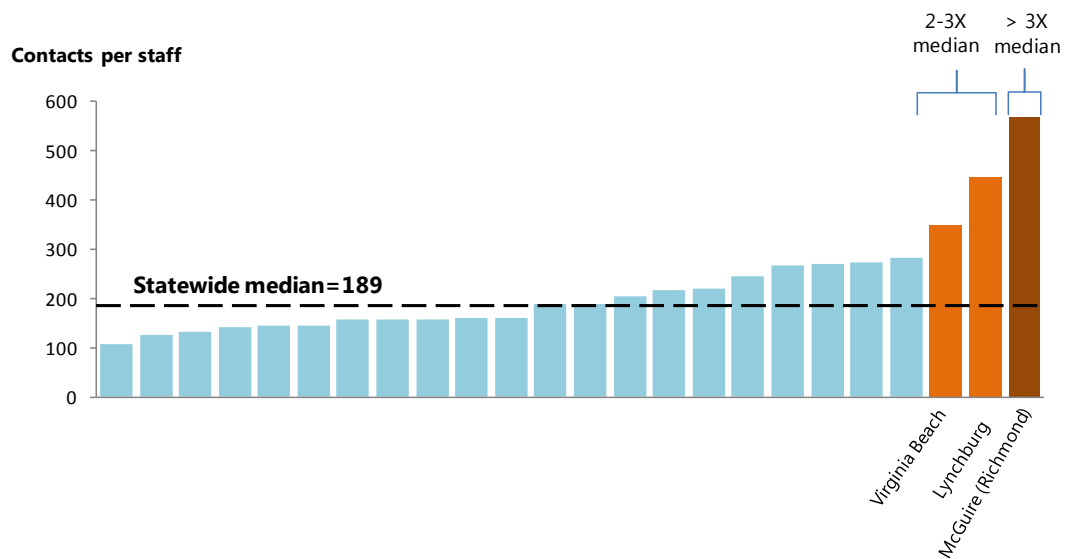
The ratio was increased effective FY 2013 from the original ratio of one benefits assistance staff member to 26,212 veterans, which had been established in FY 2006.

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had removed the office sign-in sheet by 8:45 a.m. (only 45 minutes after the office had opened), because staff did not have the capacity to serve any additional clients that day. Consequently, any veteran who arrived after 8:45 a.m. would not be able to meet with a benefits assistance staff person. Because the sign-in sheet had been removed, DVS staff might not even be aware that this veteran had come and gone without being served. Veterans have the option to schedule an appointment to avoid waiting at the office, but staff of two high-workload offices reported that their next available appointment was over a month away.

**FIGURE 4-3**

**Staff members at three high-workload offices have contact with substantially more veterans than staff at most other offices**



Source: JLARC staff analysis of DVS data for September 2015.

Note: The measure of "contacts per staff" includes staff interactions with clients in person, over the phone, and at itinerant sites. Excludes the Roanoke office (for which the number of benefits staff fluctuated).

JLC members also identified excessive wait times as a critical problem for the benefits assistance program. Five of 16 JLC members who responded to a JLARC staff survey said that recent increases to capacity were greatly needed or that additional increases are still needed. They noted that "many" veterans must visit multiple times until they meet with staff, and that veterans endure "long wait[s]."

Aside from the frustration of wasted time, an understaffed office can adversely impact the amount of benefits received. For example, because the VA awards retroactive benefits up to the month after the claim's submission, a two-week delay could result in the loss of a month's disability compensation. If the long wait discourages the veteran from another attempt to meet with assistance staff, the claim he or she submits independently might also be less comprehensive (and less likely to be approved by the VA) than if he or she had received assistance through the program.

## **DVS needs to collect additional data to understand wait times and inform staff allocation**

DVS have not used data on wait times to inform the number of staff at each benefits assistance office. Current metrics do not track the veteran's time between entering an office and meeting with staff or between requesting an appointment and the next available appointment. Management informally collects information about wait times at several high-workload offices, but no system exists to record these metrics at all offices. Moreover, the number of veterans who do not seek assistance because of long wait times is unknown.

To monitor wait times, DVS could consider purchasing and installing kiosks or portable electronic devices at all offices to allow veterans to sign-in electronically. This would allow the program to track the number of veterans who visit each benefits location, how long they wait, and how many leave without being served. According to DVS management, they are considering this option, but need to further analyze its feasibility and costs. This sign-in process would also facilitate collecting information about the purpose of the client's visit prior to each meeting, and provide an opportunity for customer feedback after the meetings.

Collecting these metrics would give DVS a better understanding of the experiences veterans have from the time they enter the office to the time they leave and can inform resource allocation decisions. While the trade-off between locating staff in lower-workload offices (to expand geographic access to the service) versus higher-workload offices (to reduce waiting times) is a policy decision, objective information on times across offices can inform these decisions. The metrics may indicate a need to reallocate staff rather than increase staff numbers. As demographic shifts in veteran population occur (discussed in Chapter 2), continued analysis of office size and locations will be necessary to maximize the impact of benefits assistance staff.

### **RECOMMENDATION 10**

The General Assembly may wish to consider including language in the Appropriations Act directing the Department of Veterans Services to monitor (i) the wait times of veterans who receive services through the benefits assistance program, (ii) the number of veterans who arrived at a benefits office and left without receiving assistance, and (iii) the wait times for an appointment at each office. The Department should report this information to the Board of Veterans Services and the Joint Leadership Council of Veterans Service Organizations. The Department should also use this information to inform resource allocation decisions and to balance staff workloads across offices.

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# 5 Virginia Veteran and Family Support program

**SUMMARY** The Virginia Veteran and Family Support (VVFS) program, formerly the Virginia Wounded Warrior Program, is intended to monitor and coordinate mental health and rehabilitative services for veterans. The VVFS program is currently operating with a high degree of uncertainty about whether it is achieving its statutory objectives and how it should most effectively achieve these objectives. Consequently, VVFS staff report providing what appear to be out-of-scope services and being confused about their responsibilities to coordinate and monitor mental health and rehabilitative services. Staff are instructed to provide some amount of case management services for veterans with mental illness and report providing these services. However, VVFS staff may not be qualified to do so under state regulations. Additionally, VVFS management has not provided adequate policy guidance to staff or sufficiently defined partnerships with other organizations. These issues present some degree of risk to the health and safety of veterans receiving services and others. Considering all of these challenges, the VVFS program needs to be comprehensively reassessed to more clearly delineate the program’s role and develop a plan to better fulfill statutory intent.

The Virginia Veteran and Family Support (VVFS) program was established in 2008 to “monitor and coordinate mental health and rehabilitative services support ... to ensure that adequate and timely assessment, treatment, and support are available” to veterans (Code of Virginia, § 2.2-2001.1). The program is intended to help veterans and affected family members navigate and access treatment and support provided by private, non-profit, local, state, and federal entities.

VVFS was created by the General Assembly to address legislative concern about the mental and physical well-being of service members returning from conflicts abroad, including the “invisible wounds of war,” namely, traumatic brain injury, post-traumatic stress disorder, and major depression. Higher combat injury survival rates among service members in post-9/11 conflicts have contributed to the continued prevalence of these conditions among post-9/11 veterans (Chapter 2). Post-9/11 veterans with these conditions will increasingly represent a higher percentage of all veterans in Virginia, underscoring the need for the state to ensure that veterans receive needed mental health and rehabilitative care.

VVFS is directed by statute to “ensure” and “facilitate” adequate and timely assessment, treatment, and support for veterans with mental health and rehabilitative support needs, but statute does not explicitly specify how the program should coordinate and monitor services. When VVFS was established, some members of its staff were employed by Community Services Boards (CSBs), to help veterans obtain care from a complex network of local, regional, and state providers, in addition to the

Virginia Veteran and Family Support	
FY 2016 Appropriations	
GF	NGF
\$2.76 M	\$0.98 M

**Rehabilitative services** refers to health care services that help a person keep, restore or improve skills and functioning for daily living and skills related to communication that have been lost or impaired because a person was sick, injured or disabled.

federal VA. CSBs offer single points of entry for publicly funded mental health, developmental, and substance abuse services in Virginia. This arrangement with CSBs continues today and was originally intended to promote veterans' access to mental health treatment and to expedite implementation of the VVFS program.

## **Uncertainty about program implementation likely compromises VVFS effectiveness**

The VVFS program is currently operating with a high degree of uncertainty about whether it is achieving its statutory objectives and how it should most effectively achieve these objectives. The program lacks useful performance measures that would allow for a reliable assessment of its effectiveness at meeting statutory intent. Additionally, staff have not received clear direction on how to perform their jobs.

### **Without full range of useful performance measures, VVFS effectiveness is unknown**

The critical and growing need among veterans for mental health and rehabilitative services in Virginia makes it imperative that the program is clearly defined so it can be consistently implemented statewide, and demonstrate to the General Assembly and other key stakeholders the extent to which it is effectively fulfilling its statutory intent to coordinate and monitor services. Unfortunately, the program does not maintain the full range of useful performance data, which hinders the ability to assess whether the program is sufficiently meeting statutory intent.

The VVFS program measures the number of family members it serves and services it delivers. The program reported helping 2,551 clients through services such as conversations with veterans, providing referrals, or coordinating counseling or shelter stays. The program also collects case summaries, which provide qualitative information about general nature of the interaction staff have with veterans and families. The content of these case summaries varies substantially and is not sufficient to reliably demonstrate the effectiveness of the program.

Implementing Recommendation 1 from Chapter 3 would allow stakeholders and program management to better determine not just the magnitude of work the program is doing, but whether the program's work is resulting in more veterans receiving better care than they would otherwise. The goals and measures should allow VVFS to, at minimum, evaluate how effectively the program engages veterans who have mental and rehabilitative health challenges; connects veterans to high quality treatment in a timely manner; follows up with clients to determine their status and outcomes; and reports circumstances when veterans cannot access needed services. (See Appendix F for examples of potential performance measures.)

## **VVFS management has not provided clear direction on staff roles and responsibilities**

A fundamental challenge for VVFS, identified through interviews with staff, is uncertainty about exactly what the staff are expected to do and to not do. Nine of 17 VVFS staff interviewed indicated that they did not receive sufficient guidance on how to perform their jobs. One reported performing the job “mostly by feel, by intuition.” Another said, “It was frustrating in the beginning because I didn’t feel like I had a clear mission. There were no clear marching orders.”

The lack of clarity about staff roles and responsibilities likely stems from two factors. First, VVFS management has not clearly articulated the scope of the program. Consequently, staff implement the program as a general safety net for all veterans and their families, when, to follow statutory intent, the program should focus on monitoring and coordinating services for veterans with mental health and rehabilitative support needs. One staff member commented, “We’re encouraged to do anything and everything, but it would help us to focus on cases where we can help the most, which is veterans with mental health needs.”

Some staff perform activities outside their statutory responsibility to coordinate and monitor care for veterans. Reported out-of-scope activities include fundraising, helping clients apply for jobs, providing basic financial counseling, stocking shelves at a local food pantry, driving veterans to medical appointments, and helping veterans write resumes. Because the agency lacks a time allocation system, as noted in Chapter 3, the extent of these out-of-scope activities cannot be quantified.

Most importantly, management has provided insufficient guidance regarding how, in practice, VVFS staff should fulfill their responsibilities to monitor and coordinate mental health and rehabilitative services for veterans—the fundamental purpose of the program. Although in recent training materials, staff are instructed to provide “case management/care coordination” for veterans, staff reported they have received insufficient direction as to what “case management/care coordination” entails and how to properly provide it. JLARC staff interviews with VVFS staff underscored staff confusion about their responsibilities:

“They’ve done the peer training, that’s awesome, very helpful, they do ASSIST training for suicide intervention, and various little trainings in the consortia, but **they never really tell you exactly what you’re supposed to do. You’re just expected to go out and do.**”

“Other CSBs might get better training, but **my staff got pretty much nothing.**”

VVFS and DVS management have described the role of VVFS staff in various ways over the course of this review, including the assertion that staff serve as peers who coordinate care but who are not case managers. DVS management most recently characterized staff as “part of the continuum of care offered at CSBs” who serve to “link veterans to CSB case management resources.” Under this characterization, it

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### **Current VVFS training**

VVFS staff are provided 40-hour peer support training developed by the VA, which includes general guidance on how to recognize signs of a mental illness, how to establish a trusting relationship with clients, and how to direct them to mental health resources. While peer support training can complement case management services, it is not a sufficient replacement for case management services because it does not define a formal process for coordinating and monitoring care.

VVFS staff also receive suicide intervention training.

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### **Peer support**

Peer support pairs clients with peer specialists who have lived through similar experiences. Peer support programs for veterans are growing in popularity, including at the VA, and have been recognized nationally as an effective complement to clinical treatment for mental health and substance abuse issues. Peer support can complement case management, by encouraging veterans to seek treatment and informing them on where to find support.

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seems that VVFS and DVS management believe staff should ultimately not be directly providing case management services. It remains unclear, however, how the program can fulfil its statutory mandate to coordinate and monitor mental health and rehabilitative services for veterans without providing at least some case management services.

## **VVFS staff provide some services they may not be qualified to perform**

It is well established that case management for individuals with complex mental health conditions should only be provided by adequately qualified individuals. There is some risk that individuals with mental health conditions who are served by unqualified or inadequately trained case managers will not be directed towards the appropriate mental health services. There is evidence that current VVFS staff may not be qualified to provide case management services under state regulations, despite evidence that some staff provide case management.

## **Case management for individuals with mental illness has specific definition and qualifications under Virginia regulation**

The Code of Virginia requires providers of case management services to individuals with mental illness to be licensed by the Department of Behavioral Health and Developmental Services (DBHDS). These licensing requirements are designed to protect consumers and ensure they receive appropriate assistance and receive this assistance by qualified individuals.

Under its licensing authority, DBHDS defines case management services for providers that deliver services to individuals with mental illness as follows:

Case management services include: identifying potential users of the service; assessing needs and planning services; linking the individual to services and supports; assisting the individual directly to locate, develop, or obtain needed services and resources; **coordinating services with other providers**; enhancing community integration; making collateral contacts; **monitoring service delivery**; discharge planning; and advocating for individuals in response to their changing needs (12VAC35-105-20; emphasis added to highlight activities mentioned in statutory purpose of VVFS).

Providers of case management services (as defined above) are required to meet a number of service requirements, including maintaining adequate documentation of various aspects of each client's case and ensuring that staff meet certain minimum qualifications (12VAC35-105-1240 and 12VAC35-105-1250).



## VVFS program documentation directs staff to provide case management for clients

As mentioned earlier, key program documentation explicitly refers to VVFS staff as case managers. For example, in the MOUs that define the relationship between DVS and the CSBs, case management is the first item listed under duties to be executed by VVFS (Exhibit 1, item A). Similarly, a recent staff training presentation explicitly cites “providing case management/care coordination” as program staff’s first general responsibility (Exhibit 1, item B).

VVFS staff report coordinating and monitoring services for veterans with mental illness through in case summaries (Exhibit 2, item A). Additionally, in interviews with JLARC staff, VVFS staff indicated that they are expected to spend a considerable amount of their time providing case management services for veterans or their family members (Exhibit 2, item B).

### EXHIBIT 1

#### VVFS MOU and employee training explicitly reference case management

##### A. MOU between DVS and CSB

MEMORANDUM OF UNDERSTANDING  
FOR SUPPORT OF THE VIRGINIA WOUNDED WARRIOR PROGRAM  
BETWEEN  
THE VIRGINIA DEPARTMENT OF VETERANS SERVICES  
AND  
WESTERN TIDEWATER COMMUNITY SERVICES BOARD, as agent for  
THE REGION V VWWP CONSORTIA

National Guard and Reserves not in active federal service, and their families. The Virginia Wounded Warrior Program in Region V shall provide for Comprehensive Assessment of Individual and Family Needs including, but not limited to:

- Case Management/Care Coordination
- Screening and Referral for PTSD and TBI

##### B. Employee training materials

#### VWWP Staff Roles and Responsibilities

New Employee Training 25/26 August 2015

#### General Responsibilities

- Providing Case Management/Care Coordination
- Coordinating and Facilitating Support Groups
- Advocating for services on behalf of veterans and family

Source: DVS memorandum of understanding, June 19, 2015; DVS new employee training presentation, August 2015.

Note: VVFS program was labeled the “Virginia Wounded Warrior Program (VWWP)” until October 1, 2015.

## EXHIBIT 2

### Case summaries and staff interviews indicate staff are providing case management services

#### A. VVFS “case summary” reports:

- “provided multiple ... mental health resources and scheduled a follow-up appointment to check in.”
- “Connected the veteran with treatment... for PTS and substance abuse.”

#### B. JLARC staff interviews with VVFS staff:

- “staff are expected to devote 70% of their time on case management...”
- “Easily 50% of time on case management... I probably spend more time on case management than supervisors of [other] programs.”

Source: DVS case summaries transmitted on December 2, 2015; JLARC staff interviews with VVFS staff, 2015.

### VVFS staff may not be qualified to provide case management services

Despite being instructed to provide case management services for individuals with mental illness, current staff may not be qualified to do so in the state of Virginia. In fact, VVFS staff are only required to meet three of the 15 minimum qualifications established by DBHDS for providers of case management services to individuals with mental illness in Virginia (Appendix G). VVFS staff are not required to meet 12 of the 15 minimum qualifications that appear to be critical to coordinate and monitor care for individuals with mental illness, such as having knowledge of treatment modalities and intervention techniques, including behavior management and the use of medication in care or treatment.

According to staff at DBHDS, VVFS program staff coordinating and monitoring services for veterans with mental illness, however formally or informally, would most likely need to meet the same minimum qualifications as employees of other providers of case management services for individuals with mental illness. To ensure veterans are receiving services from qualified staff, DBHDS should make an official determination of the need for VVFS to comply with the state case management licensing and qualification requirements.

### RECOMMENDATION 11

The General Assembly may wish to consider including language in the Appropriation Act to direct the Department of Behavioral Health and Developmental Services to determine whether and to what extent the Virginia Veteran and Family Support program should comply with state case management regulations and licensing requirements and its staff be subject to minimum qualification requirements.

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DVS has recently expressed the desire to transfer the CSB employees currently performing VVFS work to state employment because the current arrangement hinders DVS’s ability to sufficiently manage the program. While having VVFS staff be CSB

employees presents some very tangible impediments to the program ultimately being as effective as possible, the program in its current form and staff responsibilities are too poorly defined to simply convert current employees to state employment. In fact, converting these employees before addressing the fundamental program challenges detailed in this chapter will only make a poorly defined program more costly. Furthermore, if it is determined that VVFS staff are not qualified to provide case management services, not having them as CSB employees may further limit clients' access to professionally trained case managers.

## **VVFS staff function without clear policy guidance related to case management**

Currently, VVFS only has three program-level standard policies guiding staff activities. The first policy outlines specific actions for frontline staff to take when a veteran expresses suicidal intentions. The second policy requires staff to report details when a client has critical needs. The third policy provides direction on how to distribute financial assistance.

Beyond these, though, VVFS has no standardized written policies giving VVFS staff clear direction about how to execute their case management/care coordination responsibilities or to ensure their activities are consistent with the blend of case management, care coordination, and peer support the program expects them to provide. At a minimum, if staff are instructed to provide case management services, clear policies should guide each step in the process. VVFS lacks standardized written policies regarding key aspects of case management, including client intake and identification; how best to assess a client's mental health or rehabilitative service needs; and when and how to follow up with clients (Table 5-1).

Additionally, the program gives staff no standardized policy guidance to help them determine whether veterans have co-occurring mental health or rehabilitative health conditions connected to military service, which veterans should be served in more resource-intensive ways, or which should be referred to other service providers, such as the VA. As a result, VVFS staff reported functioning without guidance or structure when deciding whom to serve and how best to prioritize clients with often complex mental health or rehabilitative service needs.

**TABLE 5-1****VVFS does not maintain policies to ensure staff are providing effective case management services to veterans**

<b>Essential activities of effective case management</b>	<b>VVFS maintains standardized, written policies to guide these activities?</b>
Assess the client's needs	No
Develop a plan to address needs	No
Implement the plan	No
Coordinate resources to achieve goals of plan	No
Monitor activities or services	No
Evaluate effectiveness of plan (and change plan if necessary)	No
Measure outcomes of case management	No
Other (e.g., confidentiality, legal standards, safety, etc.)	No

Source: JLARC staff review of "Certification Guide to the CCM Examination," Commission for Case Manager Certification, 2015; JLARC staff review of VVFS documents and interviews with VVFS staff.

**RECOMMENDATION 12**

The Department of Veterans Services should develop policy guidance and require Virginia Veteran and Family Support program staff to use the policy guidance to effectively implement program goals and activities.

**VVFS has not established key program partnerships**

Clearly defined partnerships are critical for VVFS to connect veterans with the appropriate mental and rehabilitative health service providers and to monitor their progress and outcomes. VVFS's logical partners are organizations that provide mental and rehabilitative health services to veterans and their families, including federal VA medical centers, CSBs, traumatic brain injury programs, and other public and private service providers. To some extent, VVFS staff in every region collaborate with these organizations, but the frequency and quality of these relationships appear to vary substantially.

Notably, though, VVFS has no clearly defined, formalized partnerships with two legislatively mandated partners: DBHDS, which oversees the CSBs that provide clinical mental health and substance abuse services, and the Department for Aging and Rehabilitative Services (DARS), which has partnerships with community-based brain injury service providers.

Perhaps in part because there are no clearly defined partnerships, both agencies report that they rarely receive client referrals from VVFS. VVFS staff receive little or inconsistent guidance about (i) which organizations to partner with, (ii) how to best work with them to monitor and coordinate services, and (iii) when to refer veterans to the VA, which provides similar case management and peer support services to certain veterans.

### RECOMMENDATION 13

The Department of Veterans Services should collaborate with the Department of Behavioral Health and Developmental Services, Department for Aging and Rehabilitative Services, Community Services Boards, and other organizations as appropriate to develop and execute clearly defined partnerships to ensure veterans are properly referred to the organization best suited to provide the service they need.

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## **VVFS needs clear delineation of its role and plan to fulfill statutory intent**

The challenges facing this program appear to be longstanding issues that reflect the program's complex mission and the critical needs of veterans in Virginia. JLARC staff have not been made aware of any adverse outcomes resulting from the issues cited in this chapter. However, the lack of clarity about the program's role, staff expectations and qualifications, and gaps in policy guidance and key partnerships present some degree of risk to the health and safety of veterans receiving services and others.

Considering this risk, the program needs to be comprehensively reassessed to ensure it is appropriately focused to most effectively meet its statutory requirements and to address identified gaps in mental health and rehabilitative services for veterans. This assessment should be done in concert with—or even prior to—addressing the recommendations in this chapter and should comprise at least three critical steps:

1. Assess demand, supply, and gaps – Assess (i) how many veterans in Virginia may need assistance coordinating and monitoring mental health and rehabilitative services, (ii) the current supply of qualified professionals to perform the full range of work required to effectively coordinate and monitor services for veterans, and (iii) any gap between the demand for services to coordinate and monitor mental health and rehabilitative services for veterans and the current supply of professionals to meet this need;
2. Define VVFS program mission – Clearly define the VVFS program's goals and role, what activities it will perform directly to coordinate and monitor services, and what activities it will not perform, but instead rely on other entities; and
3. Determine VVFS needed staff qualifications and resources – Clearly define (i) the qualifications staff needed to perform the activities to meet the program's goals, (ii) how many staff are needed, (iii) who should employ them, and (iv) where they should be physically located.

Given the magnitude of the challenges facing this program and the number of agencies and others involved in providing services to veterans, the Governor should convene a working group that consists of members with sufficient objectivity and expertise to determine the appropriate role of VVFS going forward. To allow for a

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### **2010 veterans needs assessment**

In 2010, DVS contracted with Virginia Tech to assess the prevalence of various needs among veterans in Virginia. This needs assessment indicated that veterans may not have sufficient access to case management and peer support services in Virginia. The assessment was limited to individuals who had already interacted with the VVFS program in some way.

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comprehensive assessment about how VVFS can best complement existing services, the working group should represent the variety of services and providers involved in monitoring, coordinating, and delivering mental health and rehabilitative care to veterans.

The results of the working group's assessment should be actionable and submitted as part of a plan that demonstrates how VVFS anticipates ensuring (directly and/or in partnership with other entities) that the care of veterans is effectively coordinated and monitored. VVFS should have a clear mission and enough qualified staff to make progress towards the mission. VVFS must be able to demonstrate to key stakeholders the program is effectively coordinating and monitoring services to meet the critical and growing needs of veterans.

#### **RECOMMENDATION 14**

The Governor should convene a working group to develop a plan detailing how the Virginia Veteran and Family Services program will best fulfill its statutory mandate to monitor and coordinate mental health and rehabilitative services for veterans. The working group should be chaired by the Secretary of Veterans and Defense Affairs and include the Secretary of Health and Human Resources. The Department of Veterans Services, Department of Behavioral Health and Developmental Services, Department of Aging and Rehabilitation, as well as other appropriate agencies and external consultants, as necessary, should be working group participants. The plan should be submitted to the House Appropriations and Senate Finance Committees no later than November 1, 2016.

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# 6 Virginia Values Veterans Program

**SUMMARY** The Virginia Values Veterans (V3) program attempts to address an important knowledge gap among employers about how best to recruit, retain, and develop veterans as employees, but has a variety of problems as currently designed and implemented. The program is relatively new, and in its first three years of operation has recruited more than 300 employers to participate. These employers represent 0.16 percent of all applicable Virginia employers. Participating employers reported the information provided through the V3 training and certification process is useful. However, only one of the 16 employers interviewed by JLARC staff indicated participation in the V3 program led them to hire more veterans than if they did not participate. Furthermore, the V3 training and certification process is overly complex, which could be a barrier preventing more employers from participating. Because of the program’s apparent limited effectiveness and overly complex design, the Department of Veterans Services should submit a plan to redesign the program to ensure its effectiveness and scalability, improve its responsiveness to employers’ perspectives, and demonstrate its actual value to employers and to the state.

The Virginia Values Veterans (V3) program was established in 2012 to “reduce unemployment among veterans by assisting businesses to attract, hire, train, and retain veterans” (Code of Virginia § 2.2-2001.2). The program is available to all employers and is designed to train them on military cultural competency, increase their awareness of laws and resources that pertain to hiring veterans, and provide guidance on the development of human resources strategies for veterans. Employers that complete the training receive promotion to veterans seeking employment. As of July 2015, smaller businesses that become certified can receive a \$1,000 grant for each veteran they hire (up to \$10,000).

## V3 program provides some useful information but is of limited effectiveness

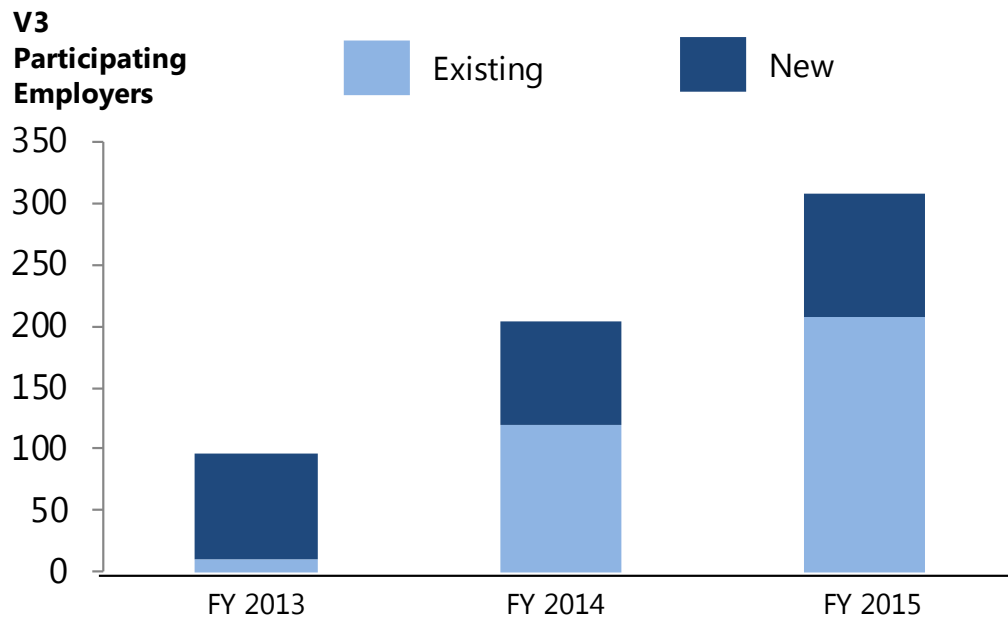
Currently, the V3 program lacks the full range of useful performance measures to demonstrate its value to companies or to the state. However, it is possible to assess, generally, the program’s effectiveness by looking at its participation rate (over time and relative to all potential companies), the extent to which employers feel they learned valuable information, and the program’s impact on hiring decisions. Based on these measures, the program’s effectiveness appears to be limited.

The number of employers participating in V3 has grown steadily since the program’s inception (Figure 6-1). As of the end of FY 2015, there were 307 participating em-

Virginia Values Veterans	
FY 2016 Appropriations	
GF	NGF
\$1.35 M	\$0.2 M

employers (226 of which were certified), and between 80 and 100 new employers have been added each year. The program reports 387 participating companies several months into FY 2016. The number of participating employers will likely continue to increase because V3 has recently hired additional staff to help with marketing and outreach activities. Additionally, legislation enacted by the 2015 General Assembly (HB 1641) required that all executive branch state agencies and higher education institutions become V3-certified.

**Figure 6-1**  
**Employer participation in V3 is steady and growing**



Source: JLARC staff analysis of V3 participation data from DVS. DVS reports 387 employers participating as of November 2015.

While growth has continued, V3 participating employers represent an extremely small percentage of the total number of employers in Virginia. The 307 participating employers represent at most 0.16 percent of all Virginia employers in 2015. If recent growth trends continue, the program would reach between 0.66 percent and 1.2 percent of all Virginia employers by 2020.

V3 lacks a proactive outreach strategy for identifying and engaging new employers, which is critical for increasing participation. The program has no goals or thresholds through which to understand whether employer participation is being maximized. It is difficult to know, therefore, whether the program is reaching the desired levels of employer participation. (Recommendation 1 addresses these gaps; see Chapter 3.)



In interviews, V3 participating employers indicated that they found most of the information they learned through the V3 training useful. Twelve of the 16 employers reported the information was “very” useful, while the remaining four reported it was at least “somewhat” useful. The usefulness likely reflects a growing recognition nationally that many companies lack knowledge about how best to recruit, retain, and develop veterans as employees in the civilian sector (sidebar). In particular, employers tend to lack military cultural competency and may hold incorrect assumptions about veterans, including the inaccurate generalization that all (or most) post-9/11 veterans suffer from post-traumatic stress disorder.

The V3 program uses the number of veterans hired as one of its performance measures, despite the program having limited influence over how many veterans are hired. As of November 2015, the V3 program reported that its training resulted in employers hiring 12,581 veterans. However, only one of the 16 participating employers JLARC staff interviewed answered “yes” when asked if their company has hired more veterans than they would have if they did not participate in V3 (Figure 6-2). Only two of these 16 companies said “maybe,” while the remaining 13 answered “no.” This raises doubts about the ability of the program to affect hiring decisions and about the way the program conveys its value to stakeholders.

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**Employers and the veteran workforce**

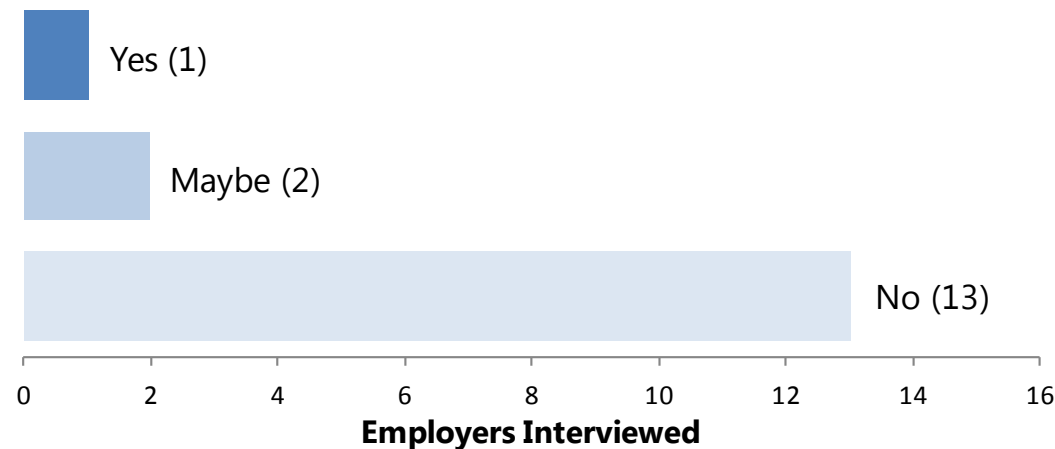
Some veteran unemployment can be attributed to a lack of understanding about “the most efficient and effective approaches to recruit, acclimate, develop, and otherwise cultivate a robust veteran workforce,” according to staff at the Institute for Veterans and Military Families at Syracuse University.

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**Figure 6-2**

**Employers indicated that V3 had minimal influence on their hiring decisions**

Q: Do you think your company has hired more veterans than you would have if you did not participate in V3?



Source: JLARC staff phone survey of 16 randomly sampled participating V3 employers, 2015.

## Recent V3 grant added benefits for some employers, but benefits should not apply retroactively

Through a General Assembly appropriation in 2015, V3 received an additional half million dollars in general funds to start an incentive program for V3-certified employers that meet specific criteria. Qualifying employers can receive \$1,000 per veteran hired with a maximum reward of \$10,000 per fiscal year. Criteria include:

- The employer must be located in Virginia and have 300 or fewer employees;
- Veterans must have been hired on or after July 1, 2014;
- Veterans must have been hired within one year of the date of his or her separation from military service; and
- Veterans must have been retained continuously by the employer for at least one year and paid the average wage of the jurisdiction (2015 Appropriation Act, Item 461).

Although this grant adds a new benefit for participation, the current sequence of the award as executed by the program appears to undermine the logic that the program (and grant) is designed to affect hiring decisions. In practice, employers can receive grants for veterans they hired before they enrolled in V3 or even knew about the existence of the V3 program. In fact, this scenario has already occurred with one of the first employers to receive a grant. The company hired a veteran in July 2014. The company enrolled in V3 in April 2015—10 months after hiring the veteran. The company received certification and a \$1,000 grant in July 2015, a full year after it hired the veteran. Ideally, the one-year retention period for the V3 grant would begin after certification (that demonstrates the employer has been trained).

Given how recent the grant is to the V3 program, it is unclear how much it will influence the hiring decisions of V3-certified companies. However, considering the grant's size relative to the costs of hiring and retaining an employee, as well as JLARC's previous research on the effectiveness of incentive grants, it is not likely to substantially increase participation or affect hiring decisions (sidebar).

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### Effect of incentive grants on business decisions

In 2013, JLARC reported that incentive grants can have a positive, but small, impact on business decisions.

*Review of State Economic Development Incentive Grants, JLARC, 2013*

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## V3 certification process is overly complex and should be streamlined

Employers basically receive two benefits for becoming V3-certified. If they have fewer than 300 employees, they receive \$1,000 for each veteran they hire and retain for at least a year (up to a maximum of 10 veterans). They also can promote their business as veteran-friendly and advertise open positions. However, to date, promotion of V3-certified employers by DVS has been minimal. Promotional activities have consisted of listing employers on the V3 website or in governor's press releases.

V3 staff have not utilized certain low-cost methods, such as social media, to promote employers.

Although promotional activities may increase in FY 2016 with the addition of new staff, the value to participating employers is reduced because certified and uncertified employers are similarly promoted. For example, both V3-certified and enrolled employers are listed on the V3 website as member companies, which lessens the incentive of employers to complete the training.

Because of the \$1,000 grant per veteran hired, it is reasonable to impose some minimal burden on participating employers. However, the certification process as currently designed is likely unnecessarily complex if the overall program goal is to increase participation and to increase the number of veterans hired (Figure 6-3). The current process requires an employer to submit a letter of interest, attend a three-hour training, and then participate in six separate 30-minute webinars. The employer is then required to submit a plan detailing how it will hire veterans. DVS certifies the plan, and then pays eligible employers \$1,000 for each veteran hired (up to a maximum of \$10,000) as long as the company has been certified and the veteran has been retained for at least a year. Every two years, employers must accrue five continuing education credits and 10 activity credits (which can take varying amounts of time), to be re-certified.

Some employers who completed the training process appeared confused about it or thought it took too much time. Two of the 15 employers mentioned that they had not completed the certification process because they had not hired veterans. In reality, though, employers only have to complete the training requirements to become V3 certified. Two other employers expressed concern about the amount of time it took to become certified, telling JLARC staff:

“It was a little too much. It was a substantial investment of my time and energy. Every hour I am spending on that takes away from my business.”

“It took us a year to get certified because of the availability of certain trainings. It should be closer to 3-6 months.... The time frame was probably the biggest issue for us. Differing formats, such as online trainings, could help speed this up.”

Streamlining the certification process could likely reduce the burden to employers and the state for company participation while achieving the same objectives. As cited above, participation is extremely low relative to the total number of Virginia employers and, with the current process, increasing the reach of the program would be challenging without substantial additional funding. DVS could most likely improve the program’s scalability and reach by reducing the complexity of the certification process and focusing on the aspects of it that are essential to achieve its objectives of maximizing participation, informing employers of best practices in hiring and retaining veterans, and encouraging companies to hire veterans (Figure 6-3). For example,

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**V3 training content**

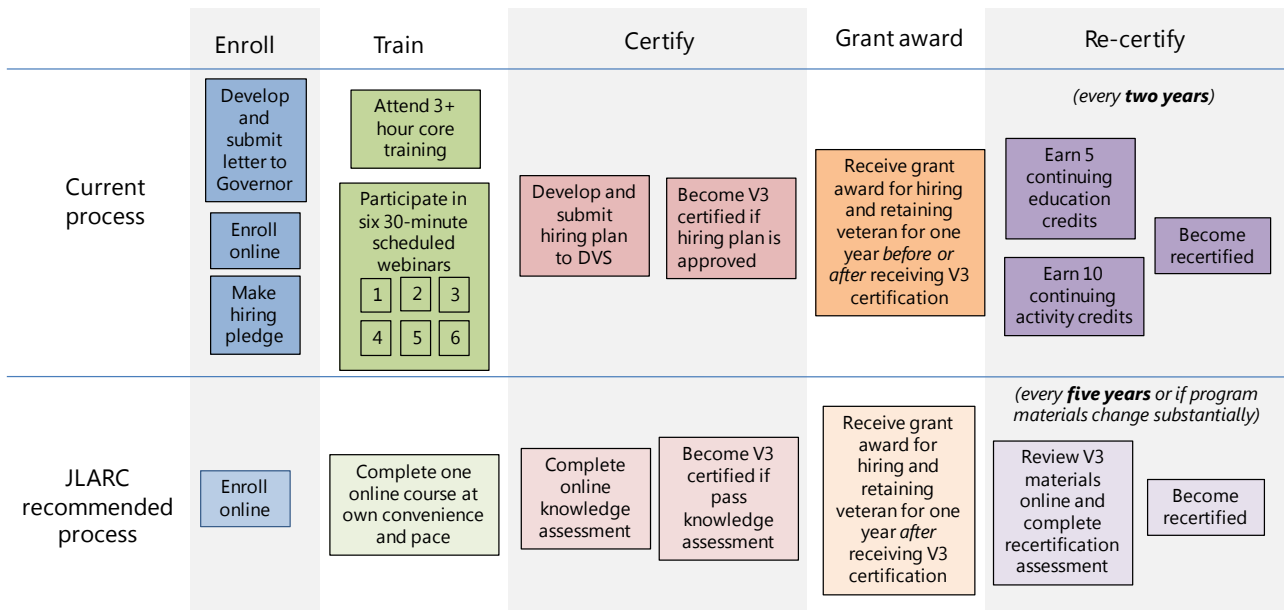
Training topics include military cultural competency, databases to use in recruiting veterans, and federal regulations that pertain to hiring and retaining veterans, such as the Uniformed Services Employment and Reemployment Act.

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- Enrollment could be done online and accomplished immediately, rather than requiring employers to submit a letter to the governor indicating interest in the program;
- A well-designed and vetted online training course, accessible at any time, could achieve the same objectives while consuming less employer and DVS staff time than two separate rounds of in-person or scheduled webinar training;
- Certification could be based on a knowledge assessment demonstrating that the employer understood the key aspects of the training, rather than the submission of a formal plan that is of questionable value (DVS staff indicate they have only denied one plan thus far); and
- Recertification requirements could be simplified and scheduled less frequently, such as five years, because best practices and requirements for hiring veterans do not frequently change.

FIGURE 6-3

V3's process could require less complex training, certification, and re-certification



Source: JLARC staff review of V3 certification process; V3 representation of recertification activities.

A more streamlined process should be sequenced logically to reduce employers' confusion and to reinforce the value of the training content. As already mentioned, the current sequence for awarding grants does not incentivize employers to hire and retain veterans after completing training. Similarly, the current pledge period is sequenced poorly. Currently, employers are required to pledge to hire veterans at en-

rollment, and V3 staff begin tracking their progress toward that pledge immediately. In effect, the program encourages employers to hire veterans prior to being fully trained to do so. While employers certainly should not be discouraged from hiring veterans between enrollment and certification, V3 staff currently report these hires as reflective of the program's success, which is misleading.

This streamlined approach would also allow the program to more reliably measure the value it is providing to companies. To date, the program has not comprehensively surveyed participating employers to understand the extent to which the training content, method of service delivery, and benefits of being certified provide value. V3 does collect brief questionnaires after every training session; however, the information yielded is not useful enough to assess the program's value or to fine-tune the process in specific areas. By collecting more actionable feedback on a regular basis from participating employers, V3 could develop a more streamlined approach that is low cost and high value to employers.

## **DVS and contractor staff have duplicative roles**

About \$363,000 (42 percent) of the V3 budget supports a program manager, two deputy managers, an administrative coordinator, operations coordinator, and public relations specialist. Three of these staff (one full-time and two part-time) have outreach and marketing responsibilities and are located in multiple regions of the state where there are more employers.

The program also relies on a prime contractor and two subcontractors to develop and administer the employer training, these contracts total about \$252,000 (29 percent) of the program budget. While these contractors develop and deliver the core training curriculum, all content for the six supplemental trainings is provided by partner organizations, such as the Virginia National Guard.

There is overlap between DVS staff and contractor responsibilities, which may indicate fewer total DVS or contractor staff are needed, or that there could be a more efficient allocation of responsibilities between staff and contractors. For example,

- One subcontractor coordinates and plans training events, which is also a responsibility of the two V3 deputy managers; and
- The prime contractor supervises training development and administration, which is also a responsibility of the V3 program manager.

## **V3 as currently designed provides limited value**

The V3 program appears to provide useful information to employers, but its value in increasing veteran employment opportunities appears to be limited. The challenges identified here would suggest that the program needs to undergo substantial changes to be more effective and scalable. These challenges highlight the need for increased attention to whether the program provides sufficient value to justify its operation.

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### **Similar programs in Michigan and Illinois**

Michigan certifies veteran-friendly employers at various levels, depending on activities successfully completed. Michigan's program does not have an educational training component.

Illinois' program includes training in veteran-specific human resources practices, and it requires that employers commit to specific activities, such as listing open positions on the state's employment database.

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Given resource limitations in other DVS programs that can provide more verifiable value, particularly the benefits assistance program, this reassessment appears to be a prudent course of action.

DVS should assess ways to improve the implementation and ongoing evaluation of the V3 program by addressing the program's limitations, and more fundamentally by reconsidering how best to reduce unemployment among veterans. Basic improvements could be accomplished by redesigning the program to make it less complicated for employers and more responsive to their feedback.

Ultimately, if DVS cannot reliably demonstrate that the program is achieving its intended purposes, it should consider directing employers to resources that already provide similar information as V3. Most of the information presented in the program's core training material is available to any company through readily accessible resources such as the Institute for Veterans and Military Family's "Veteran Employment Leading Practices Toolkit" or the U.S. Department of Labor's "Veterans Hiring Toolkit." To supplement this information, DVS could provide updated information on its website for employers who want to learn more about Virginia-specific information. Before reaching this step, it would seem prudent to first consider redesigning the program.

#### **RECOMMENDATION 15**

The General Assembly may wish to consider including language in the Appropriation Act to direct the Department of Veterans Services to develop and submit a plan to make the V3 program more effective and scalable, and less time consuming. The plan should also identify (i) the measures that will be used to assess the program's impact on employer knowledge and hiring decisions and (ii) the specific value that the program provides over existing resources that are available to all companies online. The plan should be submitted to the House Appropriations and Senate Finance committees no later than November 1, 2016.

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# 7 Veterans Cemeteries, Care Centers, and the Virginia War Memorial

**SUMMARY** The Department of Veterans Services operates three types of major facilities: cemeteries, care centers, and the Virginia War Memorial. External assessments and internal metrics indicate these facilities and the services they provide are high quality. The cemeteries and care centers have chosen to be subject to federal oversight in exchange for federal funding and are less expensive for veterans and their families when compared to private-sector alternatives. DVS is planning to build two new care centers, one in Hampton Roads and one in Northern Virginia—areas with large veteran populations.

The study mandate directed JLARC to review state veterans cemetery services and evaluate the potential to increase efficiency. In addition, JLARC staff reviewed the quality and costs to veterans of services more broadly at DVS cemeteries, care centers, and the Virginia War Memorial.

The cemeteries, care centers, and memorial fulfill DVS's mission to provide services to different veteran populations. Care centers serve veterans with a verified medical need for skilled nursing or assisted living care; cemeteries provide memorial and burial services to veterans, spouses, and eligible dependents; and the memorial educates all visitors.

## DVS's cemeteries provide high-quality services at lower cost to veterans

The three DVS cemeteries each provide the same services that are available at national veterans cemeteries. Services in the Amelia, Suffolk, and Dublin cemeteries are available to veterans, spouses, and eligible dependents. The cemeteries all offer several interment options, including in-ground casket burials and inurnments for cremated remains. The services provided (e.g., support staff for memorial services and perpetual grave care) are generally consistent across cemeteries. DVS expands access to veterans cemeteries to families who do not live near an open national veterans cemetery. Of the 19 national cemeteries in Virginia, only three are open to new interments.

The DVS cemeteries program allows the VA to oversee all three cemeteries in order to receive federal funding. The VA provides funding to expand access beyond national cemeteries and improve the quality of state cemeteries.

The number of interments has increased over time (Figure 7-1), but the construction of new cemeteries has increased capacity, so capacity is not a concern in the near future. According to projections by the VA, all three cemeteries have at least an addi-

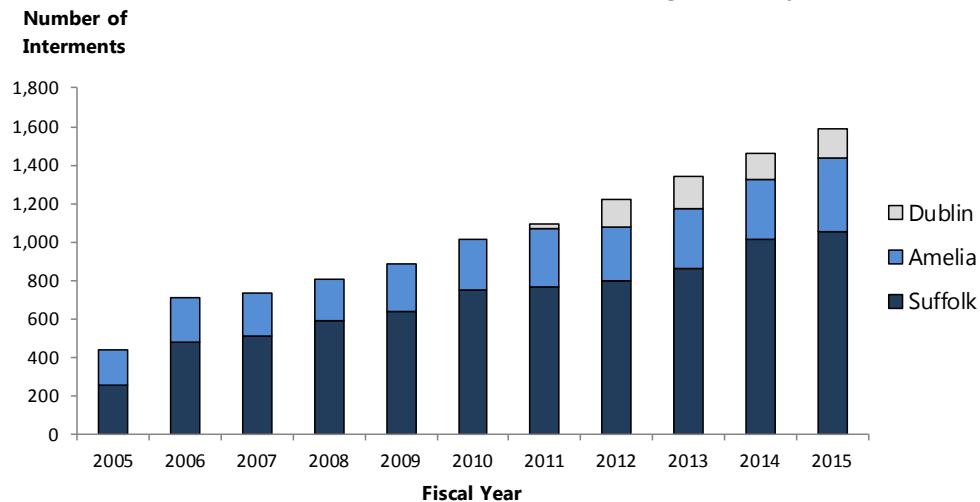
Veteran Cemeteries	
FY 2016 Appropriations	
GF	NGF
\$1.09 M	\$0.75 M

### Virginia's state veterans cemeteries

Amelia (opened 1997)  
Suffolk (opened 2004)  
Dublin (opened 2011)

Eligibility for veterans cemeteries is established by the VA. States can impose further restrictions such as a state residency requirement.

tional decade of capacity for burials and cremations. An exception is the capacity for in-ground cremation and columbarium at the Suffolk cemetery. DVS staff recently applied for a federal grant to increase capacity at this cemetery.

**FIGURE 7-1****Interments at DVS cemeteries have been increasing annually**

Source: JLARC staff analysis of DVS data from DVS Annual Reports.

Note: Interments consist of burials and cremations.

### **DVS cemeteries are well maintained and receive high ratings from veterans and families**

Performance on VA inspections, feedback from veterans, and operational metrics indicate that the three cemeteries are providing consistent and high-quality services. Recent VA inspections of the cemeteries in Amelia and Suffolk were largely favorable, while the Dublin cemetery, the newest, has not yet been inspected.

In the past decade, the VA inspected both Amelia and Suffolk cemeteries twice. The findings of the four inspections were similar and primarily positive. Inspectors characterized the cemeteries as well maintained and operationally sound (e.g., safety and recordkeeping), citing beautifully landscaped grounds and high-quality facilities. The only issues noted were aesthetic: weedy, uneven turf, and some misaligned headstones. The Suffolk cemetery earned National Shrine status during its most recent inspection, meaning that its quality has been recognized as equivalent to that of national veterans cemeteries.

Recently, the VA implemented more rigorous and measurable requirements for federally funded state cemeteries to more closely align them with national cemeteries. The new system of federal inspections will make it possible to compare DVS cemeteries to state cemeteries. Over 100 standards dictate topics such as weed control, equipment maintenance, and timeliness of scheduling. Additionally, the VA will con-

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#### **Other states' veterans cemeteries**

Forty-three other states operate veterans cemeteries. All but one of these states have received or are receiving federal funding for their veterans cemeteries.

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tinue to require extensive documentation of each burial in a federal database and annual reports on operations.

Family members of veterans buried at DVS cemeteries and representatives of veterans groups in Virginia report high-quality services at all three of DVS's cemeteries. Families utilizing DVS cemeteries have provided generally positive feedback through state and federal surveys (Table 7-1). Of the 16 responses JLARC received to its survey of representatives of Virginia's Joint Leadership Council of Veterans Service Organizations (JLC), five JLC members provided comments regarding the quality of the cemeteries program. All five responses were positive—describing “no issues,” “terrific” services, a “second-to-none” appearance, and “universal high praise.” A sixth member noted “great” improvements by the Amelia cemetery.

**TABLE 7-1**  
**Veterans and families report high satisfaction**

Source	Metric	Amelia	Suffolk	Dublin	All states <sup>a</sup>
DVS	Overall satisfaction (families)	99%	98%	99%	--
The VA	Cemetery appearance (families)	100	99	100	98
The VA	Would recommend (families)	97	99	96	98
The VA	Would recommend (funeral homes)	100	88	100	97

Source: JLARC staff analysis of the VA's 2014 Survey of Satisfaction (which sampled burials between July 2013 and March 2014) and DVS's customer satisfaction surveys received between implementation in 2013 and August 2015. Note: The DVS metric for satisfaction is the average of ratings, on a scale of 1 to 10, on “overall satisfaction of your visit.” The VA metric for cemetery appearance is the percentage of responses that agreed or strongly agreed that the “overall appearance ... is excellent.” The VA metrics for recommendations are the percentage of responses that agreed or strongly agreed that they would recommend the cemetery to other veterans' families.

<sup>a</sup>Cemeteries administered by tribal governments are included.

VA data also indicates that DVS provides accurate and timely setting of headstones and markers obtained from the VA (Table 7-2). After the funeral, DVS submits the necessary information to the VA; the VA inscribes and mails the headstone (for a burial) or marker (for a cremation); and then DVS sets it. Achieving accurate and timely setting requires coordination with families and the VA. Virginia's accuracy in headstone and marker inscriptions is high and similar to other states. Virginia sets headstones and markers in a more timely manner than other states.

**TABLE 7-2****DVS accurately inscribes and sets headstones and markers in a timely manner**

<b>Metric</b>	<b>Amelia</b>	<b>Suffolk</b>	<b>Dublin</b>	<b>All states<sup>a</sup></b>
Accuracy of inscription <sup>b</sup>	90%	90%	84%	88%
Headstones and markers set within the VA's 60-day standard	80%	81%	95%	76%

Source: JLARC staff analysis of the VA's 2014 Survey of Satisfaction (which sampled burials between July 2013 and March 2014) and the VA's Timeliness Of Marking Graves In State VA Cemeteries report (for interments between July 1, 2014 and April 30, 2015).

<sup>a</sup>Cemeteries administered by tribal governments are included.

<sup>b</sup>Percentage of responses that agreed or strongly agreed that inscriptions were accurate.

### **Interments and some related items are free for veterans at DVS cemeteries**

#### **Burial costs for spouses and dependents**

Spouses and eligible dependents can also choose to be buried at any of the three DVS veterans cemeteries for a \$300 fee. This fee covers administrative expenses associated with non-veteran burials, because DVS only receives federal reimbursement for burials for veterans.

All three DVS cemeteries provide free interments to veterans, in contrast with private sector alternatives. The private sector charges at least several thousand dollars to perform the same types of services as DVS. A 2013 study commissioned by DVS cemeteries found the average burial fee for other state veterans cemeteries to be \$288. The VA provides a free headstone or marker for veterans buried at all three types of cemeteries. Families who forgo the free pre-installed crypt for burial may choose to pay \$400 for a subsidized outer burial container instead. Additionally, DVS cemeteries do not charge veterans for setting the headstone or marker, as is the case at some state veterans cemeteries and most private cemeteries. However, families do pay for interment items and services that DVS does not provide, such as the casket and embalment for a burial or the urn and cremation for an inurnment.

### **DVS cemeteries have achieved a reasonable level of consolidation**

The three DVS cemeteries are already consolidated to a reasonable extent. Management functions are located at the Suffolk cemetery, the busiest location. These management functions include overseeing all staff communication with federal staff regarding denials, and compiling financial documents. Most daily functions, such as scheduling funerals and researching eligibility, are not consolidated because the cemeteries serve distinct populations and the cemeteries are distant from each other. Although consolidation opportunities are limited, the cemeteries program has proactively sought to consolidate its operations where possible, as exhibited by its recent change to move weekend scheduling of funerals to the Dublin cemetery.

### **DVS care centers provide high-quality services at relatively lower cost to veterans**

DVS operates two care centers for veterans in need of medical services. The Sitter & Barfoot Veterans Care Center (SBVCC) in Richmond and the Virginia Veterans Care

<b>Veteran Care Centers</b>	
<b>FY 2016 Appropriations</b>	
<b>GF</b>	<b>NGF</b>
\$0	\$43.89 M

Center (VVCC) in Roanoke serve veterans with a verified medical need for skilled nursing or assisted living services. They are not retirement homes. Like other nursing homes, they provide meals, therapy, on-site medical services, social workers, medication, and recreational activities. Both locations offer care to Alzheimer's and dementia patients. Since SBVCC's construction in 2007 and VVCC's construction in 1992, the first increase in capacity occurred in 2015 when SBVCC added a 40-bed wing. Both care centers have similar client demographics (Table 7-3).

**TABLE 7-3****Occupancy rates and client demographics of the two care centers are similar**

	<b>Service</b>	<b>Capacity</b>	<b>Occupancy</b>	<b>Average age</b>	<b>Percent male</b>
<b>SBVCC</b>	Skilled nursing	160 <sup>a</sup>	98%	81	94%
	Skilled nursing	180	97	82	99
<b>VVCC</b>	Assisted living	60	97	76	88

Source: JLARC staff analysis of DVS data.

Note: Occupancy, age, and gender statistics are as of June 30, 2015.

<sup>a</sup>SBVCC increased capacity to 200 beds in early FY 2016.

All states manage veterans care centers, which vary in their services, capacity, and management. Skilled nursing is offered in at least one location by 48 states, while assisted living is offered in at least one location by 31 states. Thirty-two states have more capacity for those two services than Virginia, despite Virginia having among the nation's highest number of veterans. Unlike Virginia, 12 states contract out the operations of at least one of their care centers.

### **Care centers have performed well on external inspections of safety and quality and receive high ratings from veterans and families**

Both DVS care centers have performed well on external governmental inspections and internal customer satisfaction surveys. High ratings on evaluations by the VA and the Centers for Medicare and Medicaid Services (CMS) allow the centers to keep receiving federal dollars. DVS's skilled nursing and assisted living services are subject to the VA's oversight, and the skilled nursing service is subject to CMS oversight. Additionally, the Virginia Department of Social Services conducts regular inspections of the assisted living service. The three agencies rate the care centers on a variety of factors, including facility design, resident rights, restraint policies, assessment metrics, nursing staff, meal nutrition, and safety features. Their annual reviews of DVS care centers include site inspections, observations, and documentation review.

VVCC achieved an overall score of five stars (the maximum) and SBVCC achieved four stars on the most recent CMS inspection, compared with an average of 3.1 stars for other skilled nursing facilities in Virginia. These ratings reflect (1) health and fire deficiencies observed during inspections, (2) nurse staffing levels relative to residents'

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#### **Eligibility for veterans care centers**

The VA and CMS establish minimum eligibility criteria. States can further restrict eligibility, such as by requiring wartime service or state residency.

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#### **Skilled nursing and assisted living facilities**

Skilled nursing facilities provide health care to residents by trained medical personnel, often after a patient has been released from a hospital. Onsite nursing staff manage, observe, and evaluate residents' medical needs.

Assisted living facilities provide long-term care that combines housing, supportive services, and health care, as needed. Assisted living services are designed for individuals who require assistance with everyday activities.

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needs, and (3) clinical metrics of residents' well-being. In the past five years, the deficiencies found by CMS are relatively minor in scope and severity.

Both care centers also performed well on recent VA inspections. Their number of deficiencies is similar to the average for skilled nursing and assisted living at veterans care centers in other states. Of the several deficiencies identified in the VA's 2015 annual reviews, none were clinical; clinical deficiencies are generally considered more serious than other types. The past five years of VA inspections had similar results.

VVCC's assisted living service also meets state standards as assessed by the Virginia Department of Social Services. The inspector described VVCC as "in substantial compliance" and possessing "effective systems" of oversight. The most recent inspection identified no violations.

Families and residents gave the centers high ratings on internal customer satisfaction surveys, with 95 percent of SBVCC and 97 percent of VVCC respondents describing overall quality as "excellent" or "good." This high rating is consistent with VVCC surveys since 2004. (2015 was the first year for SBVCC's survey.)

Most feedback JLARC staff received from JLC members about DVS care centers focused on support for the state's decision to fund two new care centers in Virginia. Notably, there were no negative comments about the quality or fees of DVS current care centers, and three JLC members characterized the facilities as "great" and "excellent." However, three members noted that DVS could do more to make veterans aware of the existence of the two care centers.

### **Out-of-pocket costs to veterans for care center services are lower than private-sector alternatives**

Out-of-pocket fees for DVS care centers are generally lower than equivalent private-sector services. An exception is when DVS fees are overridden by other state and federal policies. Residents who are not severely disabled for service-connected causes, Medicaid-eligible, or Medicare-eligible pay monthly fees that are less than private-sector nursing homes (Table 7-4). Residents with severe disabilities receive free care due to a VA subsidy that is not available to them if they elect to receive care at private sector nursing homes. Meanwhile, the amount that Medicaid-eligible and Medicare-eligible residents pay out of pocket is determined by factors outside DVS's control. Notably, federal policy establishes the national co-insurance requirement for Medicare-eligible residents, while local departments of social services calculate an individualized co-insurance requirement for Medicaid-eligible residents.

The DVS care centers rely on federal dollars and fees from residents, and only receive state general funds for those residents enrolled in Medicaid (Figure 7-2). In order to receive these federal dollars, the centers adhere to federal oversight and regulations. Not all states choose to maintain eligibility for federal dollars. Thirty-four other states have at least one location certified for Medicare or Medicaid, but only 17 other states have all of their care centers Medicare and Medicaid-certified. Funding for

Medicaid recipients is evenly divided between state general funds and federal funds, as with other nursing homes in Virginia.

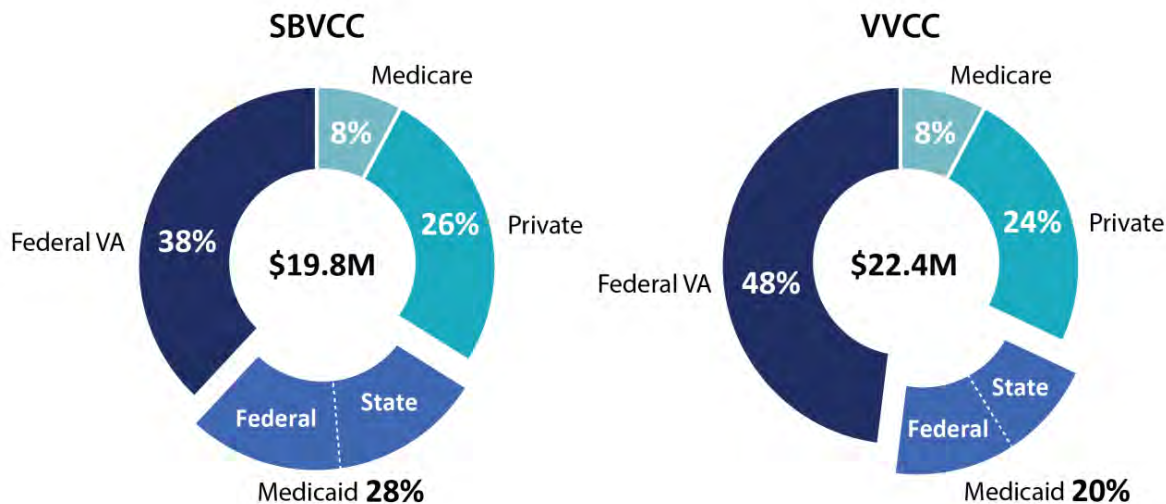
**TABLE 7-4**  
**Monthly fees at care centers are substantially less than private-sector alternatives**

	Service	DVS fee	Regional private sector fee (median)	Percent difference
<b>SBVCC</b>	Skilled nursing	\$4,928	\$8,091	-39%
	Skilled nursing	\$3,817	\$6,692	-43
<b>VVCC</b>	Assisted living	\$2,707	\$3,324	-19

Source: JLARC staff analysis of Genworth 2015 Cost of Care Survey.

Notes: DVS fees include the VA's per diem subsidies. All fees exclude prescription drugs. DVS fees are for private rooms at SBVCC (at which all beds are private) and semi-private for VVCC's skilled nursing (at which nearly all beds are semi-private). Regional comparisons correspond (private fees for SBVCC nursing and semi-private fees for VVCC nursing) with the exception of VVCC assisted living for which the only available data was for private rooms. The region of comparison is Richmond for SBVCC and Roanoke for VVCC.

**FIGURE 7-2**  
**Both DVS care centers rely primarily on federal funding but receive state funds for veterans enrolled in Medicaid**



Source: JLARC staff analysis of DVS veterans care center revenue data.

Note: Excludes private donations, which account for less than 1% of revenue.

### **Future DVS care centers will be located in areas with large populations of elderly veterans**

DVS is currently planning to construct two new care centers in Virginia, one in Hampton Roads and one in Northern Virginia. Although the VA provides grants to states to cover up to 65 percent of the cost of constructing new care centers, it has not had sufficient funding for new facilities in Virginia, as it did in for DVS's two

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**Care Centers and the Certificate of Public Need process**

The construction of two new care centers will not affect the ability of other skilled-nursing service providers to obtain a Certificate of Public Need.

DVS facilities are exempt from calculations made to determine the need for additional medical facilities. (See Appendix H for more information about this exemption.)

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existing care centers. Despite the lack of federal funding, the 2015 General Assembly allocated \$66.7 million in state funds for the new care centers. According to DVS staff, these funds are sufficient for the design and construction of one care center and the design of the second care center. Both new care centers are expected to have the capacity to serve 120 veterans at a time, which is half the capacity of both of the existing care centers.

According to DVS staff, it is unlikely that Virginia will receive federal funding, especially in the near term. In fact, of the 53 projects on the VA's 2015 Priority List, Virginia's two new care centers ranked 51st and 52nd. DVS staff noted that the VA provided funding to fewer than half of the 53 projects and that new, higher priority projects are added each year. Further, the \$106 million of federal funding requested by Virginia for the two new care centers exceeded the total amount of funding available to the VA for all state care center projects in FY 2015. However, the VA may reimburse Virginia for a portion of its construction costs in the future, as several other states have received partial reimbursements for the costs of constructing care centers in the past.

Hampton Roads and Northern Virginia appear to be reasonable locations for new care centers, as they have some of the largest and fastest-growing veteran populations in the state. Additionally, a 2007 study of potential new care centers found the Hampton Roads planning district to have the highest number of elderly veterans in the state and recommended the Northern Virginia planning district due to its high number of veterans and distance from other care centers.

Virginia War Memorial	
FY 2016 Appropriations	
GF	NGF
\$0.92 M	\$0

## The Virginia War Memorial is well regarded and popular

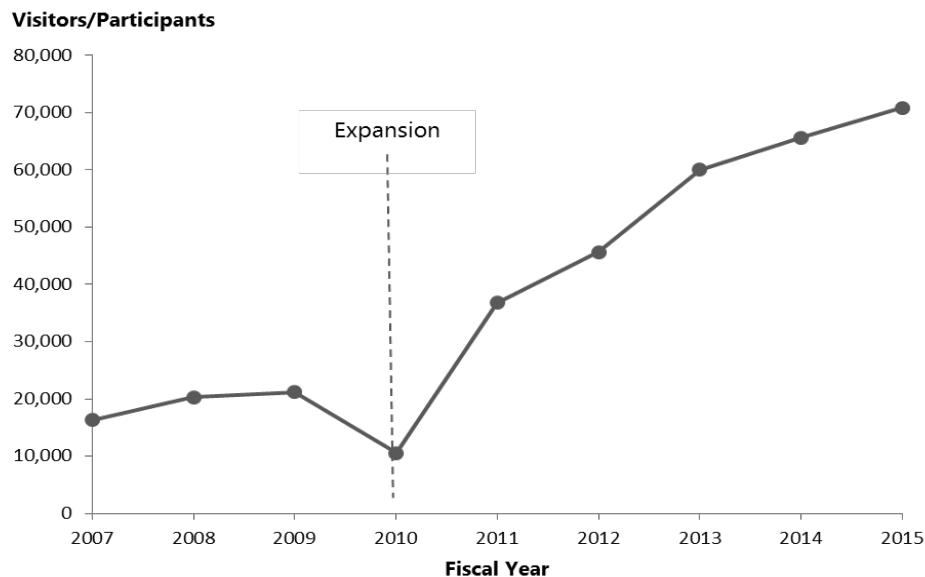
The Virginia War Memorial, located in Richmond, became a DVS program in FY 2013, after being operated by a Board of Trustees since its construction in 1955. It commemorates veterans through a variety of educational programming and public events. Examples of activities include tours for individuals and groups, production of documentaries about Virginians' role in wars, and patriotic events such as Memorial Day programs.

Feedback from representatives of veterans groups in Virginia and external recognition indicate that the Virginia War Memorial is held in high regard. Of the eight comments provided by JLC members about the quality of the memorial, all were very positive. Members cited "great" services, a "very nice" and "impressive" building that "sends a clear signal of state support for veterans." Additionally, the memorial has earned many honors for facility design and programming. For example, the memorial won first place in the government category for Interior Design Excellence in 2011 from the Virginia chapter of the American Society of Interior Designers. The Virginia War Memorial's "Virginians at War" documentary series has also earned at least eight external awards since 2004.

The memorial has been growing in popularity. In FY 2015, over 70,000 people visited or participated in programs, an average of nearly 200 people a day. Between 2009 and 2015, the number of visitors and program participants tripled (Figure 7-3). Visitation rose sharply after the completion of the education center in 2010.

The memorial's Shrine of Memory commemorates Virginian soldiers killed in wars from World War II to the present. It consists of engraved names from World War II through Operation Desert Storm/Desert Shield. Because no space remains on the shrine, the memorial honors post-9/11 service members in a temporary memorial exhibit. To honor these Virginians permanently, the shrine will be expanded to accommodate approximately 8,000 more names. As part of the same construction project, beginning in 2016, the Virginia War Memorial will double its facility space. DVS staff anticipate the total operating costs of the memorial to grow from \$921,000 in FY 2016 to \$2.3 million by FY 2020 (150 percent) after the expansion, and expects total construction costs to be approximately \$22 million to \$23 million.

**FIGURE 7-3**  
Participation at Virginia War Memorial programs has increased after expansion



Source: JLARC staff analysis of Virginia War Memorial visitation data.

Note: Counts combine visitors and on-site program participants.





# Appendix A: Study Mandate

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## 2015 Study Mandate

HOUSE JOINT RESOLUTION NO. 557

*Directing the Joint Legislative Audit and Review Commission to review the  
Department of Veterans Services. Report.*

Agreed to by the House of Delegates, February 25, 2015

Agreed to by the Senate, February 24, 2015

WHEREAS, the Department of Veterans Services (the Department) was established by the Virginia General Assembly in 2003 under the Secretary of Administration; and

WHEREAS, the Joint Legislative Audit and Review Commission has not previously undertaken a review of the Department, yet the Department is now reporting to the Secretary of Veterans and Defense Affairs, its third Secretariat since 2003; and

WHEREAS, the Department is responsible for the establishment, operation, administration, and maintenance of offices and programs related to services for Virginia-domiciled veterans of the armed forces of the United States and their eligible spouses, orphans, and dependents, including, but not limited to, benefits claims processing and all medical care centers and veterans cemeteries owned and operated by the Commonwealth; and

WHEREAS, the Department is organized into six service delivery sections—Benefits, Veterans Education Training and Employment, Veterans Care Centers, Veterans Cemeteries, the Virginia War Memorial, and the Virginia Wounded Warrior Program; and

WHEREAS, the Department operates 23 benefits services offices throughout the Commonwealth where veterans and their dependents receive free assistance in developing and filing claims for federal veterans benefits; and

WHEREAS, the Department operates the Commonwealth's three veterans cemeteries, which provide burial and perpetual care services to veterans and eligible dependents; and

WHEREAS, the Department operates the Commonwealth's two Veterans Care Centers with a combined 400-bed capacity for the provision of long-term physical, occupational, and speech therapy, as well as therapeutic recreation, social and spiritual activities, and other services such as an on-site pharmacy; and

WHEREAS, the Department executes the Virginia Wounded Warrior Program, which provides support to Virginia's veterans, members of the Virginia National Guard, Virginia residents in the Armed Forces Reserves, and their family members; and

WHEREAS, Virginia has the nation's seventh-largest veteran population and the nation's highest veteran population as a percentage of total state population, and this veteran population is expected to grow over the next four years; now, therefore, be it

RESOLVED by the House of Delegates, the Senate concurring, That the Joint Legislative Audit and Review Commission be directed to review the Department of Veterans Services.

In conducting its review, the Joint Legislative Audit and Review Commission shall (i) examine the changing demographics of the newest generations of veterans (post-9/11) and consider what changes are needed to the services currently provided by the Department; (ii) assess ways the Department is able to reach Virginia veterans such that all new veterans have easy access to information and services; (iii) assess the number, roles, and allocation of staff; (iv) assess whether the needs of Virginia veterans are adequately addressed through the benefits claims process; (v) review the Virginia Wounded Warrior Program for any existing overlap of services provided by other state agencies and, in view of the unique care needs of veterans, determine whether or how such services can effectively be provided by other state agencies to reduce duplication and reduce the costs of providing such services; (vi) assess the delivery of services at state cemeteries to ensure services are consistent and determine if there are any possible efficiencies in consolidating daily or fiscal operations; (vii) assess the effectiveness of coordination with other agencies and the U.S. Department of Veterans Affairs; (viii) examine whether the statutory definition of "veteran" affects whom the Department is able to serve; (ix) review the structures and approaches by which other states carry out veterans affairs functions; and (x) review any other issues and make recommendations as appropriate.

All agencies of the Commonwealth, including the Department of Veterans Services, Department of Medical Assistance Services, Department of Social Services, Department of Health, Department of Military Affairs, and Department of Human Resource Management, shall provide assistance to the Joint Legislative Audit and Review Commission for this review, upon request. The Department of Veterans Services shall furnish information, including departmental records, to Joint Legislative Audit and Review Commission staff as requested in accordance with §§ 30-59 and 30-69 of the Code of Virginia.

The Joint Legislative Audit and Review Commission shall complete its meetings for the first year by November 30, 2015, and for the second year by November 30, 2016, and the chairman shall submit to the Division of Legislative Automated Systems an executive summary of its findings and recommendations no later than the first day of the next Regular Session of the General Assembly for each year. Each executive summary shall state whether the Commission intends to submit to the General Assembly and the Governor a report of its findings and recommendations for publication as a House or Senate document. The executive summaries and reports shall be submitted as provided in the procedures of the Division of Legislative Automated Systems for the processing of legislative documents and reports and shall be posted on the General Assembly's website.

## Appendix B: Research Activities and Methods

JLARC staff conducted the following major research activities:

- Structured interviews with staff at DVS, other state agencies, the U.S. Department of Veterans Affairs (the VA), national organizations, military bases in Virginia, and DVS-equivalent functions in other states;
- Quantitative analysis of DVS, U.S. Department of Veterans Affairs, and U.S. Census Bureau data; and
- Phone surveys of companies that participated in the Virginia Values Veterans (V3) program and of representatives from veterans organizations in Virginia;
- Site visits to DVS service locations (announced and unannounced);
- Review of documents, reports, and other national research.

### Structured interviews

Structured interviews were a key research method used by JLARC staff in conducting research for this report (Table B-1). JLARC staff conducted a mix of structured in-person and phone interviews.

**TABLE B-1**  
**Multiple interviews were performed for this study**

Organization type	Organization name
DVS	<ul style="list-style-type: none"> <li>• All programs – 71 staff total</li> </ul>
Virginia state agencies	<ul style="list-style-type: none"> <li>• Auditor of Public Accounts</li> <li>• Department of Aging and Rehabilitative Support</li> <li>• Department of Behavioral Health and Developmental Services</li> <li>• Department of Health</li> <li>• Department of Human Resource Management</li> <li>• Department of Motor Vehicles</li> <li>• Department of Planning and Budget</li> <li>• Department of Social Services</li> <li>• Secretariat of Veterans and Defense Affairs</li> <li>• Virginia Employment Commission</li> </ul>
U.S. Department of Veterans Affairs	<ul style="list-style-type: none"> <li>• National Cemetery Administration</li> <li>• Office of Geriatrics &amp; Extended Care</li> <li>• Office of Intergovernmental Affairs</li> <li>• Roanoke Regional Benefit Office</li> </ul>
National professional organizations	<ul style="list-style-type: none"> <li>• National Association of State Directors of Veterans Affairs</li> <li>• National Association of State Veterans Homes</li> <li>• National Association of County Veterans Service Officers</li> <li>• National Conference of State Legislatures</li> <li>• Funeral Consumers Alliance of the Virginia Blue Ridge</li> <li>• National Funeral Directors Association</li> </ul>

U.S. Department of Defense	<ul style="list-style-type: none"> <li>• Two military installations in Virginia</li> </ul>
Other national and local organizations	<ul style="list-style-type: none"> <li>• Iraq and Afghanistan Veterans of America (national chapter)</li> <li>• Team Red, White, and Blue (national chapter and Virginia chapter)</li> <li>• American Legion (national chapter and Virginia chapter)</li> <li>• Veterans of Foreign Wars (Virginia chapter)</li> <li>• AMVETS (national chapter and Virginia chapter)</li> <li>• Serving Together</li> <li>• Syracuse University's Institute for Veterans and Military Families</li> </ul>

Source: JLARC staff analysis.

JLARC staff also interviewed staff at DVS-equivalent functions in 16 other states (Table B-2). The purpose of these interviews varied by program, but were primarily designed to understand how and to what extent other states perform similar functions to DVS. They were also designed to learn more about their performance metrics, identify opportunities for administrative consolidation of veterans cemeteries, and to understand more about practices identified as successful by external entities, such as the VA.

**TABLE B-2**

**Structured interviews were also conducted with staff of DVS-equivalents in 16 other states**

<b>State</b>	<b>Topics covered</b>
Alabama	Care centers
Arizona	Care centers
California	Benefits assistance program
Connecticut	VVFS-equivalent program
Florida	Communications
Georgia	Benefits assistance and care centers
Kansas	Care centers
Illinois	Care centers and VVFS-equivalent program
Maryland	VVFS-equivalent program
Massachusetts	VVFS-equivalent program
North Carolina	Benefits assistance program
Pennsylvania	Transition assistance program
Tennessee	Benefits assistance program and cemeteries
Texas	Benefits assistance program, cemeteries, and VVFS-equivalent program
Washington	Transition assistance program
Wisconsin	Cemeteries

Source: JLARC staff analysis.

## Quantitative Analysis

Analyses of data from DVS programs and federal sources were performed for this study.

***DVS program data.*** JLARC staff obtained benefits assistance program data on the number of contacts and claims submitted by office by month, and calculated September 2015 metrics by staff member. In addition, JLARC staff compared the percentage of Fully Developed Claims in September 2015 to data from September 2014. Analysis of VVFS data used FY 2015 metrics on the number of clients, type of service requests, and financial assistance to veterans. Lastly, JLARC staff reviewed V3 data on employers and certification status.

***U.S. Department of Veterans Affairs data.*** Several VA sources on the number of veterans receiving VA benefits in Virginia and the value of those benefits were analyzed to calculate state rankings over time. Analyses were limited to the programs which account for the vast majority of staff time in the DVS benefits assistance program.

The VA's Veteran Population Projection Model 2014 (VetPop2014) informed analysis of Virginia's veteran population compared to other states.

***U.S. Census Bureau Data.*** The Public Use Microdata Sample (PUMS) data from the 2013 American Community Survey was used to analyze demographic differences between veterans and non-veterans in Virginia.

## Surveys

JLARC staff conducted surveys of the Joint Leadership Council (JLC) of Veterans Services Organizations and of representatives of companies that participated in the Virginia Values Veterans program.

***Survey of representatives of the Joint Leadership Council (JLC) of Veterans Services Organizations.*** The JLC represents veterans to DVS and is designed to maximize DVS's impact through collaboration. Its membership consists of representatives of veterans organizations in Virginia, such as the American Legion and Military Order of the Purple Heart. JLARC requested open-ended input from JLC members regarding DVS programs and the needs of Virginia veterans. Of the 23 members contacted, 16 responded to the survey, either by phone or in written responses, and their qualitative responses were categorized by opinion (positive, negative, neutral) and topic.

***Phone survey of representatives of companies that participated in the Virginia Values Veterans program.*** Finally, a phone survey was conducted with representatives from 16 companies that have participated in the Virginia Values Veterans (V3) program. Companies were selected randomly to reflect the variety of sizes, industries, and locations of participating companies, and include companies that had and had not achieved V3 certification.

The purpose of these interviews was to understand how useful the businesses found the V3 training to be, whether the amount of time it took to become certified was reasonable, whether businesses were satisfied with the format of the training, and to what extent the V3 program has affected hiring decisions. The interviews were also designed to identify opportunities for improving company participation and effectiveness of the V3 training.

## Site visits to DVS locations

***Announced and Unannounced Site Visits to DVS program locations.*** JLARC staff visited six of 25 DVS benefits assistance offices, all three cemeteries, both care centers, and the Virginia War Memorial, with both announced and unannounced visits at locations in all four programs. The purpose of these site visits was to learn how programs operated and observe facility quality.

***Observations of Benefits Assistance Staff.*** During four visits to benefits assistance offices, JLARC staff observed meetings between veterans and benefits assistance staff. The purpose of these observations was to educate JLARC staff about the functions of benefits assistance staff, observe variation in staff workloads and activities between offices, and learn about veterans' experiences with the VA.

## Review of documents, reports, and other research

For this study, JLARC staff reviewed various documents, reports, and other research including:

- Recent reports and documents prepared by DVS staff, including the 2014-2016 Strategic Plan, an internal performance measures report, and DVS annual reports;
- Reports conducted on behalf of DVS by other entities in Virginia, including reports on the need for additional care centers, utilization and capacity of DVS cemeteries, and a needs assessment prepared for the Virginia Veteran and Family Support Program;
- National reports on veterans programs and challenges, published by organizations such as RAND Corporation and Syracuse University's Institute for Veterans and Military Families;
- Case management and care coordination literature; and
- Studies of other states' DVS-equivalent functions.

Staff researched the costs of funerals and nursing home care in the private-sector in order to quantify the value of DVS programs to veterans' families. Data from Genworth's 2015 Cost of Care Survey was used to compare DVS's fees to private-sector fees. Genworth's data enabled comparisons within the Roanoke and Richmond regions for assisted living and nursing services. Data from the National Funeral Directors Association's (NFDA) 2015 Member General Price List Study, the Funeral Consumers Alliance of the Virginia Blue Ridge's (FCAVBR) 2014 Survey of Funeral Service Costs, and the Funeral Consumers Alliance of the Virginia Blue Ridge's 2015 Survey of Licensed and Municipal Cemeteries were used to calculate the private-sector costs of services provided by DVS's cemeteries program. JLARC staff contacted staff at NFDA and FCAVBR to clarify their methodology.

DVS's benefits assistance offices, cemeteries, and care centers are the only three programs that regularly administer customer satisfaction surveys. The care centers provided summaries of responses, but JLARC staff hand-counted responses from the benefits assistance and cemeteries programs. The question regarding overall satisfaction on the care centers and cemeteries surveys was used to assess customer's perceptions of quality. As benefits assistance program's survey only requested qualitative responses, JLARC staff categorized each response by opinion (positive, negative, neutral) and topic (service quality, waiting times).

## **Appendix C: Definitions of Veteran and DVS Program Eligibility Criteria**

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This appendix provides information that addresses item (viii) of the study mandate, which directs JLARC staff to “examine whether the statutory definition of ‘veteran’ affects whom the Department is able to serve.” (Table C-1 shows eligibility for all DVS programs that directly serve veterans.)

Eligibility for federal Department of Veterans Affairs (“the VA”) benefits depends on a variety of factors, including the duration of service and the nature of the discharge from service. Generally, an individual is considered a “veteran” under federal statute if he or she served in the armed forces of the United States and was honorably discharged or released under honorable conditions from active duty. The most common population of individuals to be excluded from federal benefits are certain Reservists and members of the Virginia National Guard. According to federal statute, members of the Reserves and the National Guard are only considered veterans if they were called to active duty under Title 10 and Title 32 and completed their term of service. If National Guard and Reservists were activated under State Active Duty or have never been activated in any capacity, then the federal government does not recognize them as veterans.

DVS care centers and cemeteries adhere to federal eligibility standards because they receive federal funding for their operations and for each veteran they serve.

Other DVS programs use a more inclusive definition of “veteran” than the federal government, which allows the agency and its programs to serve veterans who are otherwise excluded from services and benefits from federal entities, such as the VA. For example, the VVFS program not only serves those who are considered veterans under the federal definition, but also veterans who served in the Reserves or the Virginia National Guard, and veterans who received an “other than honorable conditions discharge,” a “bad conduct discharge” or a “dishonorable discharge.”

TABLE C-1

## DVS programs serve all veterans unless they are restricted by federal funding guidelines

Program	Eligibility criteria	Strict alignment with federal statutory definition of "veteran"?	Veteran population <u>not</u> served by program
Benefits assistance	Eligibility varies depending on the federal benefit sought or the state program in which an individual wishes to participate.		None.
VVFS	All veterans, regardless of discharge status and including all National Guard and Reservists.  According to statute, veterans with mental health and rehabilitative service needs should be prioritized above other veterans.		None.
Virginia War Memorial	All veterans and the public.		None.
Veterans care centers	Veterans must have been discharged under other than dishonorable status and must meet federal medical needs standards for skilled nursing and/or assisted living.	✓	National Guard and Reservists not activated by federal statute.
Veterans cemeteries	Veterans must have been discharged under other than dishonorable status (if National Guard or Reserve, after serving a period of active duty or retirement after 20 years of service). Spouses and certain dependents are also eligible.	✓	National Guard and Reservists not activated by federal statute.
VTAP	All veterans		None.
VMSDEP	Spouse or dependent of a veteran who was killed, missing in action, taken prisoner, or who became at least 90 percent disabled as a result of service. The disability must have been directly caused by the Veteran's involvement in: <ul style="list-style-type: none"> <li>• military operations against terrorism;</li> <li>• a peacekeeping mission;</li> <li>• a terrorist act;</li> <li>• an armed conflict after December 6, 1941.</li> </ul> The service connected disability cannot have been incurred during active duty that coincides with, but was not the direct result of, one of the listed events/ missions.		None.

Source: JLARC staff analysis.

Note: The SAA and V3 programs do not serve veterans directly. Instead the SAA program certifies institutions' ability to receive GI Bill benefits and the V3 program certifies that companies have received training on how to recruit, retain, and develop veterans.



## Appendix D: SAA and VMSDEP Programs

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JLARC staff were not directed to review the State Approving Agency program (SAA) and Virginia Military Survivors and Dependents Education program (VMSDEP), but they represent two other programs operated by DVS. Both programs help veterans access educational or entrepreneurial programs, but do not serve veterans like other DVS programs. Specifically, the SAA program, which is almost entirely federally funded, works as an agent for the VA to certify that educational institutions meet certain requirements to ensure that veterans can apply their GI Bill funding towards legitimate educational and entrepreneurial programs. The VMSDEP program certifies the eligibility of survivors and dependents on behalf of higher education institutions.

### SAA Program

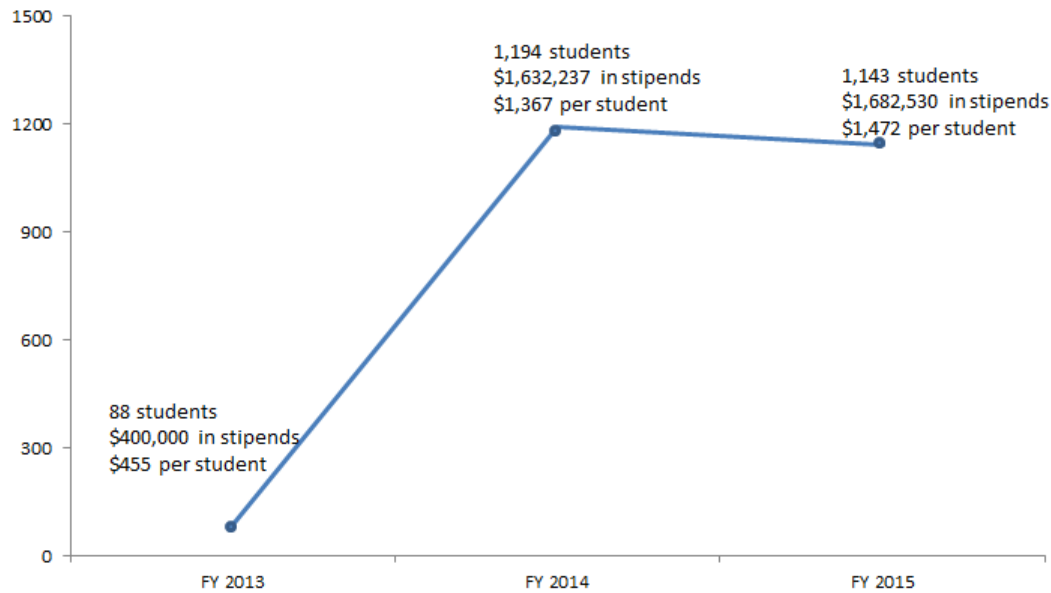
Virginia's SAA program certifies educational institutions that serve student veterans and holds these institutions accountable for following federal standards. The program's target audience is more than 1,000 institutions in Virginia, including four-year universities, community colleges, and on-the-job training and apprenticeship programs offered by employers. However, in federal fiscal year 2014, this program indirectly reached nearly 63,000 veterans who chose to apply their federal GI Bill benefits at these institutions. Depending on length of service, GI Bill benefits covers all or a portion of tuition, fees, books, supplies, and even housing.

Because SAA is primarily federally funded, the program must adhere to federal performance standards. In the most recent years, SAA achieved the highest rating possible. The program is evaluated based on annual goals set by the state in accordance with federal categories, such as, response time to requests made by new institutions and approval of new institutions within 30 days. The SAA program must also report outreach activities and the number of compliance visits completed.

### VMSDEP Program

VMSDEP offers educational benefits to qualifying survivors and dependents of veterans in Virginia, and is administered jointly by DVS and the State Council of Higher Education for Virginia (SCHEV). DVS's role is to process applications and determine eligibility while SCHEV distributes stipends. Postsecondary institutions cover the full cost of tuition and fees without additional funding from the General Assembly.

To be eligible for the program, individuals must be the spouse or child of a military service member who died in combat, is missing in action, is a prisoner of war, or who acquired a 90 percent or higher disability rating from the VA as a result of combat. There are additional age and residency restrictions. Eligible individuals who have already been accepted into a public postsecondary institution in Virginia receive full tuition and fees as well as a stipend to offset the costs of room, board, books, and supplies. In FY 2015, the maximum stipend distributed was \$1,800, and award totals varied depending on whether students are full-time or part-time. (Figure D-1 illustrates the number of beneficiaries and average stipend amounts distributed between FY 2013 and FY 2015.)

**FIGURE D-1****Participation rates in VMSDEP and the monetary value of stipends spiked in FY 2014**

Source: JLARC analysis of annual reports submitted by DVS to the governor and the General Assembly.

Until January 2014, the program was operated under the benefits assistance program, and during this time, staff incorrectly approved an unknown number of applicants. In particular, staff had approved applicants who were survivors or dependents of service members who had become disabled but not as the result of combat. DVS staff misinterpreted the intent of the law, which, according to an informal opinion issued by the Attorney General, confirms that a disability must be due to combat. DVS staff could not provide an estimate for the financial impact of these misappropriations, but under the Veterans Employment, Training, and Education service line, a new policy has been developed to prevent future errors and VMSDEP eligibility determinations are now made in a separate program.

## Appendix E: State Agencies with Programs for Veterans

This appendix lists various state agencies that provide unique services to veterans or veterans organizations. This list may not be exhaustive of all programs or agencies providing services specifically for veterans or veterans organizations.

**TABLE E-1**  
**State entities providing unique services for veterans or veterans organizations**

<b>State agency</b>	<b>Program(s) or services</b>
Dept. of Aging and Rehab. Services	Virginia Veterans and Family Support (DVS partner)
Dept. of Behavioral Health and Developmental Services	Virginia Veterans and Family Support (DVS partner)
Dept. of Conservation and Recreation	Disabled Veterans' Passport
Dept. of Corrections	Re-entry Roadmap for Incarcerated Veterans in Virginia
Dept. of Education	Veterans Honorary High School Diploma Program
Dept. of Game and Inland Fisheries	Discounted hunting, fishing, trapping licenses
Dept. of Health	Vital records fee exemption for veterans
Dept. of Human Resource Management	Veterans Outreach Council, Veteran Hiring Preference Policy Guide, Surviving Spouse or Child Preference Guide
Dept. of Motor Vehicles	Troops to Trucks program, Veteran ID program, vehicle registration fee exemption, specialty plates for disabled veterans
Dept. of Social Services	Inspections of Veterans Care Centers
Dept. of Small Business and Supplier Diversity	Service Disabled Veteran-Owned Business (SDV) designation
Dept. of Taxation	Various tax exemptions for veterans
Dept. of Transportation	Wounded Veterans Internship Program
Dept. of Veterans Services	Veteran Cemeteries, Veterans Care Centers, Virginia War Memorial, Virginia Veterans and Family Support, Virginia Transition Assistance, Virginia Values Veterans, Benefits assistance, State Approving Agency, Virginia Military Survivors and Dependents Education Program
Public Higher Education Institutions	School Certifying Officials (for GI Bill beneficiaries), GI Bill Yellow Ribbon Program
Secretary of the Commonwealth	Veterans organizations registration
State Council for Higher Education in Virginia	Virginia Military Survivors and Dependent's Education Program (DVS partner)
Veterans Services Foundation	Fundraising for the Department of Veterans Services
Virginia Employment Commission	Unemployment Compensation for Ex-Service Members Program, Local Veterans Employment Representatives, Disabled Veterans Outreach Program
Virginia Housing Development Authority	Granting Freedom Program

Source: JLARC staff analysis.

Note: GI Bill Yellow Ribbon Program provides additional financial assistance to veterans using GI Bill. It is not available at all institutions.

## Appendix F: Potential performance measures for DVS programs

This appendix provides potential measures that could be used by DVS management to monitor and demonstrate its progress towards achieving key program objectives.

**TABLE F-1**

**Example performance metrics that could yield useful information about DVS programs**

Program objective	Examples of potential performance measures
<b>Virginia Veterans and Family Support Program</b>	
To coordinate and monitor veterans' access to mental health and rehabilitative services	<ul style="list-style-type: none"> <li>• Number of veterans seeking VVFS assistance who have mental or rehabilitative health condition and the severity of that condition</li> <li>• Percentage of veterans who successfully make contact with a treatment provider (CSB services, VA services, private providers)</li> <li>• Average duration between veterans contacting VVFS and VVFS staff following up with the veteran</li> <li>• Length of time between a veteran contacting a provider and the date of the first appointment</li> <li>• Percentage of veterans who complete their treatment plans</li> <li>• Client satisfaction with treatment quality and with VVFS's support in accessing treatment (customer feedback questionnaires)</li> </ul>
To connect veterans who have mental and rehabilitative healthcare needs to supplemental support services	<ul style="list-style-type: none"> <li>• Percentage of veterans who successfully make contact with a service provider and client satisfaction with that service</li> <li>• On a per client basis, progress toward meeting goals agreed upon with case manager, such as applying for jobs.</li> </ul>
<b>Benefits assistance</b>	
To maximize the number of fully developed claims sent to the VA	<ul style="list-style-type: none"> <li>• Percentage of all claims that are fully developed, by staff member</li> </ul>
To maximize the number of approved claims	<ul style="list-style-type: none"> <li>• Percentage of submitted claims that have been approved by the VA, by staff member</li> </ul>
To increase access to benefits assistance	<ul style="list-style-type: none"> <li>• Average wait times for scheduled appointment, by office</li> <li>• Average wait times for walk-in assistance, by office</li> <li>• Number of veterans who arrived at a benefits office and did not receive assistance the same day</li> </ul>
To increase awareness of federal, state, and local benefits	<ul style="list-style-type: none"> <li>• Number of veterans reporting that they learned about their eligibility for federal benefits through DVS (question included in customer feedback questionnaire)</li> </ul>
To ensure veterans are satisfied with the quality of service they receive	<ul style="list-style-type: none"> <li>• Customer satisfaction with benefits assistance, by staff member</li> <li>• Customer satisfaction with knowledge of benefits assistance staff</li> </ul>

Program objective	Examples of potential performance measures
<b>Virginia Values Veterans (V3) program</b>	
To ensure employers perceive certification to be low cost and high value	<ul style="list-style-type: none"> <li>• Annual survey of employers to evaluate satisfaction with training (relevance and usefulness of content), the certification process (clarity and convenience of participation), and the extent to which the benefits of participating are valuable</li> </ul>
To educate employers on best practices in recruiting, hiring, and retaining veterans	<ul style="list-style-type: none"> <li>• Percentage of employers that pass the program knowledge assessment</li> </ul>
To support employers in recruiting, hiring, and retaining veterans as employees	<ul style="list-style-type: none"> <li>• Number of veterans hired by each company after the company became V3-certified</li> <li>• Percentage of companies that met or exceeded their veteran hiring and retention pledge</li> <li>• Percentage of all V3-certified employers reporting that they would not have hired as many veterans had they not participated in the program</li> </ul>
To maximize the number of veterans hired by employers that did not proactively hire veterans prior to program participation	<ul style="list-style-type: none"> <li>• Total number of veterans hired by employers that indicated at enrollment they had not previously taken proactive steps to hire veterans</li> </ul>

Source: JLARC staff analysis.

Note: V3 currently tracks the number of veterans hired on a cumulative basis, not per company.

## Appendix G: Case management standards and VVFS frontline staff qualifications

This appendix includes the definition of case management (as defined in the Virginia Administrative Code); the knowledge, skills, abilities, and minimum qualifications required of VVFS frontline staff (Figure G-1); and a comparison of these minimum qualifications to the minimum qualifications required of employees of other entities in Virginia who provide case management services to individuals with mental illness (Table G-1, as established in 12VAC35-105-1250 of the Virginia Administrative Code).

As defined in the Virginia Administrative Code,

"Case management service" means services that can include assistance to individuals and their family members in assessing needed services that are responsive to the person's individual needs. Case management services include: identifying potential users of the service; assessing needs and planning services; linking the individual to services and supports; assisting the individual directly to locate, develop, or obtain needed services and resources; coordinating services with other providers; enhancing community integration; making collateral contacts; monitoring service delivery; discharge planning; and advocating for individuals in response to their changing needs.

**FIGURE G-1**

**Knowledge, skills, abilities, and minimum qualifications required of frontline VVFS staff**

### **KNOWLEDGE/SKILLS/ABILITIES REQUIRED**

Working knowledge of veterans services and supports. Good knowledge of community resources and human services network. Effective interaction skills, especially with consumers/veterans, service providers and other agency professionals. Good oral and written communication skills. Good skills in interviewing and counseling consumers/veterans.

### **MINIMUM QUALIFICATIONS (EDUCATION, EXPERIENCE, CREDENTIALS)**



















Associates degree or two years of college, preferably within a behavioral or social services related discipline. Experience in the field of human services preferred.

(A comparable amount of training and experience may be substituted for the minimum qualifications.)

Source: JLARC staff review of job descriptions of VVFS resource specialists.

TABLE G-1

VVFS staff provide case management services to individuals with mental illness, but minimum staff qualifications do not meet state regulations of employees providing such services

Minimum qualifications of providers of case management services to individuals with mental illness	Minimum qualifications for VVFS staff
<b>Case managers shall have knowledge of...</b>	
• Services and systems available in the community including primary health care, support services, eligibility criteria and intake processes and generic community resources;	
• The nature of serious mental illness, mental retardation (intellectual disability), substance abuse (substance use disorders), or co-occurring disorders depending on the individuals served, including clinical and developmental issues;	
• Different types of assessments, including functional assessment, and their uses in service planning;	
• Treatment modalities and intervention techniques, such as behavior management, independent living skills training, supportive counseling, family education, crisis intervention, discharge planning, and service coordination;	
• Types of mental health, developmental, and substance abuse programs available in the locality;	
• The service planning process and major components of a service plan;	
• The use of medications in the care or treatment of the population served; and	
• All applicable federal and state laws and regulations and local ordinances.	
<b>Case managers shall have skills in...</b>	
• Identifying and documenting an individual's need for resources, services, and other supports;	
• Using information from assessments, evaluations, observation, and interviews to develop service plans;	
• Identifying and documenting how resources, services, and natural supports such as family can be utilized to promote achievement of an individual's personal habilitative or rehabilitative and life goals; and	
• Coordinating the provision of services by diverse public and private providers.	
<b>Case managers shall have abilities to...</b>	
• Work as team members, maintaining effective inter- and intra-agency working relationships;	
• Work independently performing position duties under general supervision; and	
• Engage in and sustain ongoing relationships with individuals receiving services.	
Legend:  = Required,  = Partially required,  = Not required	

Source: JLARC staff review of 12VAC35-105-1250 of the Virginia Administrative Code and job descriptions of VVFS resource coordinators.  
 Note: Qualifications that are labeled "partially required" are addressed vaguely in job descriptions.

## **Appendix H: DVS Care Centers and Certificate of Public Need Process**

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This appendix addresses a concern that was raised by a member of JLARC regarding the impact of new care centers on the certificate of public need (COPN) process.

Virginia's Certificate of Public Need (COPN) regulates the expansion of medical care facilities (§ 32.1-102 of the Code of Virginia and 12VAC5-220 of the Virginia Administrative Code). A COPN from the Virginia Department of Health is required before constructing specified health services. The VDH assesses several factors before issuing a COPN, including a need for the health services in the area. Therefore, there was concern that construction of veterans care centers would reduce the future likelihood of COPN approval for new nursing homes for the general population because VDH might recognize a reduced need for nursing services in that area.

The addition of DVS care centers will not affect the likelihood that new nursing homes for the general population receive state approval for construction. The Code of Virginia explicitly excludes facilities administered by the Department of Veterans Services from the COPN process (§ 32.1-102.1). This exclusion means that DVS care centers need not receive COPN approval before construction. Additionally, the director of the COPN program confirmed that existing DVS care centers do not affect the calculations of medical need that inform COPN approval of nursing homes for the general public. Therefore, the likelihood that a nursing home will receive a COPN is not affected by the presence of DVS care centers.



## **Appendix I: Agency Response**

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As part of an extensive validation process, the state agencies and other entities that are subject to a JLARC assessment are given the opportunity to comment on an exposure draft of the report. JLARC staff sent an exposure draft of this report to the Secretary of Veterans and Defense Affairs and the Department of Veterans Services. Appropriate corrections resulting from technical and substantive comments are incorporated in this version of the report.

This appendix includes the response letter from the Department of Veterans Services.



## COMMONWEALTH of VIRGINIA

### *Department of Veterans Services*

John L. Newby II  
Commissioner

Telephone: (804) 786-0286  
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December 9, 2015

#### *Via Electronic Mail*

Mr. Hal E. Greer  
Director  
Joint Legislative Audit and Review Commission  
General Assembly Building, Suite 1100  
201 North 9<sup>th</sup> Street  
Richmond, VA 23219  
[hgreer@jlarc.virginia.gov](mailto:hgreer@jlarc.virginia.gov)

Re: Exposure Draft-JLARC Report on the Department of Veterans Services

Dear Mr. Greer:

Thank you for the opportunity to review and comment upon the Exposure Draft of the Joint Legislative Audit and Review Commission (JLARC) report on the Operation and Performance of the Department of Veterans Services (DVS). This report was expressly requested by me and Secretary of Veterans and Defense Affairs John Harvey at the very beginning of my tenure as Commissioner, for the purpose of taking a first-of-its-kind objective and comprehensive review of DVS. We appreciate your team's time and effort spent learning about the Agency's operations and delivering a report that, in the main, provides clear, objective and fact-based recommendations that will help the Agency's ongoing efforts to be the most effective veteran services delivery agency in the Nation.

The report succinctly summarizes the population that the Agency serves: the 7<sup>th</sup> largest veteran population in the Nation (soon rising to 4<sup>th</sup> as a result of projected growth), veterans with both particularized skills to service the New Virginia Economy, as well as particularized needs resulting from their service. We thank the drafters for recognizing and commending (a) the efficacy of the important work done by Virginia's two veterans care centers to support skilled nursing, short-term rehabilitation and memory care needs of over 400 veteran residents, (b) the efficient and cost effective final memorialization services provided by our three veterans cemeteries, and (c) the ever-increasing outreach and education provided by our Smithsonian-quality (my description!) Virginia War Memorial.

**AN EQUAL OPPORTUNITY EMPLOYER**  
900 East Main Street, Richmond, Virginia 23219  
[www.dvs.virginia.gov](http://www.dvs.virginia.gov)

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While DVS is thankful for all recommendations made in the report, and indeed has already adopted and are executing on several, we must make clear one thing: DVS is not the U.S. Department of Veterans Affairs. As you will appreciate, many veterans over the past several years have been failed by USDVA, as acknowledged by its own leadership, primarily because of the bureaucratic hindrances to care and service. Virginia's Department of Veterans Services, in contrast, continues to strive to remain *flexible, agile and responsive*. Due to the kinds of services they deliver, many state agencies look much the same today as they did two years ago, and will look much the same two or even five years from now. DVS is not such an agency—we cannot afford to be static. As such, DVS has both new and existing programs that are constantly changing in their efforts to meet the evolving needs of Virginia's 800,000 veterans and their families, and we are constantly looking for ways to improve our delivery of services. While we continue to consider all of the report's observations and recommendations, the following are some that merit, even at this early juncture, some commentary.

**Communications.** The report is spot-on in its finding that there is a need for a more comprehensive communication program, to more effectively educate not only the broader Virginia citizenry, but also the Agency's own personnel. After several years with no communication strategy, and without the resources to implement one even if it existed, the Agency has within the past 1 ½ years recognized the importance of branding and communications, and has taken positive steps to this end. We have hired a Director of Communications with significant private sector experience and implemented the Agency's first unified Branding and Communications Plan. However, we would like to make clear that we do not view certain examples of DVS employees being involved as ancillary to our work; we find that it is the best way to get the word out to veterans and the public about what DVS does. Employees who chose to do such outreach are of course properly credited for their efforts consistent with our Time & Attendance system. And more often than not, these types of involvement are requested of DVS employees *by the communities themselves*, a true testament to our outreach.

**Virginia Transition Assistance Program (VTAP).** The report's acknowledgement of the current makeup of VTAP is well taken—for a mission as vital as military transition in Virginia, this new program is insufficiently resourced and, absent improvement, Virginia stands to miss out on a great opportunity to help veterans. As for the report's binary choice presented—to either bolster VTAP with resources or eliminate it in favor of simply increasing DVS's communication program—we submit that it is the former option that makes most sense. Indeed, the Governor has identified the skills needed in the New Virginia Economy, and routinely cites veterans as a major source of those skills: from cyber, to unmanned aerial systems, to logistics, advanced manufacturing and more. Virginia needs to ensure that the 30,000 Virginia active duty service members who are leaving the service over the next 3 years desire to *stay in Virginia* because of great jobs, educational opportunities and quality of life. VTAP, a new program with 1 FTE and just having passed 1 year in age, continues to adjust to the demands of this population, not merely as a vessel for communicating to service members what Virginia has to offer, but also placing veterans in direct contact with employers through periodic veteran-employer connection events and weekly employment opportunity email to registered job-seeking veterans. And this is a service that, as recently as November 18, the 19 military installation commanders of the Governor's Virginia Military Advisory Council asked the Commonwealth to expand; the Department of Defense itself has recognized that it lacks sufficient programming for transitioning personnel and needs the

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Commonwealth to assist. In view of these realities, the Agency will endeavor to bolster the VTAP mission.

**Benefits.** The report rightfully cites the fact that Virginia's is the first Benefits operation in the Nation to go completely electronic in its claim filing system, markedly reducing state processing times by approximately 4-6 weeks and making it easier for the USDVA to more quickly adjudicate claims. In some instances, Virginia's veterans have received favorable claims decisions within a matter of weeks. We greatly appreciate the report's observations regarding past instances of veteran wait times at certain high-demand offices, which the Agency has already begun addressing through the provision of additional claims agents. Indeed, in the past 12 months, we have grown from 35 claims agents to 62, a breathtaking increase in overall capability. However, it is correct that certain offices (notably McGuire VA and those in Hampton Roads) continue to be challenged with extremely high veteran demand. The report's recommendations for the Agency to adopt enhanced customer wait time monitoring and automated customer check-in improvements are apt and needed. Further, it should be noted that transformation of our Benefits operation, after a multiple-decade period of neglect, is in Year 1 of a 3 Year improvement plan, with the final destination at three years being claims agents with full and complete training on the submission of Fully Developed Claims.

**Virginia Veteran and Family Support (VVFS).** Putting aside the difficulty of objectively responding to the tone and tenor of Chapter 5, we do think that certain recommendations are useful, and offer the following.

Key point: VVFS does not own the CSB employees who deliver VVFS services, which hinders standardization of service delivery. The report identifies several critiques of VVFS that, while perhaps valid, require context. It must be recognized that these critiques are merely symptoms, not the cause of the underlying disease...which is *the structure of VVFS itself*. The report's characterization of "VVFS staff" as being under direct control and supervision of the Agency is in reality not the case; *it is not DVS/VVFS, but our partner CSBs, who own the 35 employees who deliver VVFS services*. It is the CSBs that define position requirements, advertise positions, hire, pay, manage and supervise the employees, and evaluate their performance. Indeed, it is the CSBs and DBHDS who have approved and executed the current system of care for the past eight years. Nor can DVS guarantee the consistent implementation of a new program model while full control continues to rest with the CSBs. We concur with the report's conclusion that clearer, more defined and standardized program guidance is appropriate, but without addressing this structural deficiency, such standardization will be difficult if not impossible. As discussed with the drafters, DVS is drafting a restructure plan for VVFS, which will be coordinated with our CSB partners and actually achieves much of the report's recommended outcomes. While we invite the convening of a working group, the Agency instead would like to accelerate the recommended timeline and obligate ourselves to submit the proposed restructure to JLARC on January 13, 2016 for consideration.

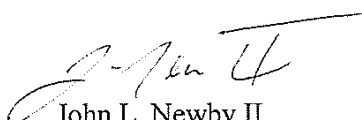
**Virginia Values Veterans (V3).** We thank the drafters for suggesting, very accurately, that there may be additional measures for assessing V3 program effectiveness. Also well taken are the observations that the V3 enrollment and membership process could withstand a certain level of simplification, and that more concentrated employer outreach is needed. As a matter of fact and even before receiving the Exposure Draft, the Agency has taken proactive steps to identify

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additional measures and streamline the V3 enrollment and membership process, and has engaged a wage employee to concentrate on V3 public affairs and communications. The report's conclusion that the program is of limited effectiveness because certain employers had plans to hire veterans prior to V3 membership perhaps should be augmented. It is indeed true that many (and hopefully most!) Virginia companies intend to hire veterans irrespective of V3 membership. However, the dissemination of best practices regarding how to *hire* is but one goal of V3; the others are how to *recruit, train* and *retain* veterans. Thus, employers further benefit from the continuing sharing of best practices regarding recruiting, training and retention, and the level of effectiveness should account for these goals as well. We thank the report for citing ways to measure the effectiveness of V3 in a more holistic manner, which we will do. Finally, regarding the conclusion that V3 is of "limited value," we offer that any conclusion regarding program value should be measured and derived from the following facts about V3's members themselves: the number of V3 enrollees (385, a 67% increase over the past 12 months alone); major V3 partners, including Altria, CapitalOne and Dominion Resources, Inc., who have cited V3's importance to Virginia's workforce, and have affirmed as much with their major financial programmatic support; the states who have, with DVS's support, mimicked V3 (including North Carolina, South Carolina, Maryland and Michigan) and are those we are currently help establish their programs (Pennsylvania, Washington, Kentucky and Ohio); and the Virginia Chamber's recently-announced collaboration with the V3 program. Companies and entities are not in the habit of wasting time or resources on programs that are not impactful, no matter the moral merit of the activity.

Despite the handful of points of clarification cited above, DVS generally supports many of the report's recommendations. We are always looking for ways to improve our services, and our request for this third-party view of the Agency is in furtherance of that goal. We have separately provided technical comments and suggestions and we thank you in advance for considering them as this report is finalized. Thank you again for your assistance.

Respectfully,



John L. Newby II  
Commissioner

cc: The Honorable John C. Harvey, Jr.,  
Secretary of Veterans and Defense Affairs



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